The Financial Post

The Canadian Newspaper for Businessmen and Investors

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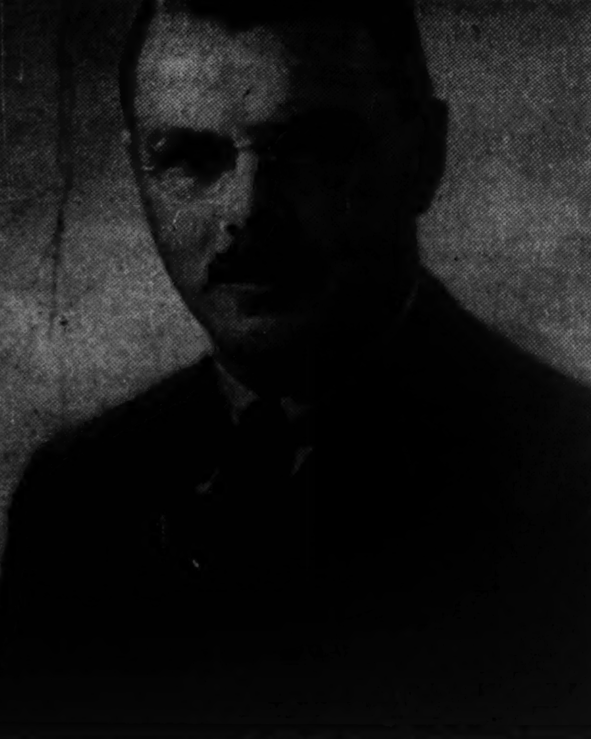
Key Man in Sun Life



George W. Bourke, F.I.A., F.A.S., has been appointed managing director of the Sun Life Assurance Co. of Canada, which company he first joined in 1915, after graduation from McGill University. A past president of the Canadian Life Officers Association, and a present member of the Executive Committee of the Canadian Chamber of Commerce, he won the Military Medal in World War I, during which he was seriously wounded. (For personal sketch, see page 6).

THE NATION'S BUSINESS

More Good Than Bad Is Seen in $ Parity

One man's meat is another man's poison. That's the way it is with many things, including dollar parity. Ending the 10% discount on the Canadian dollar versus the American is poison for the gold mines, especially the higher cost operations and properties in the development stages. It means sharp adjustments for other large exporters to American and U. S. dollar markets, especially newsprint, lumber, base metals and some agricultural lines. And, of course, it also affects, temporarily at least, another major Canadian "export," our revenue from American tourists though they will continue to get much better value for their holiday expenditures here than they will at home.

But dollar parity will help insulate us against the inflationary holocaust in the United States. Generally, the move will be accepted as in the best interests of the great majority of Canadians and as an almost inevitable sequel to events.

Some Wall Street observers, as reported on page one, think that Canada acted too fast, overestimated the speed and extent of the U. S. price rise likely to take place and threw away some trading advantages.

Obviously, a decision of this kind could be reached only after weighing up all conceivable advantages and disadvantages and the weight of business opinion here, at least currently, is agreement that the good will likely outweigh the bad.

It has long been recognized that repricing the Canadian dollar upward was a move that could be made if the U. S. price situation became critical. The Financial Post of last week pointed out that dynamiting of OPA had immediately revived talk of parity.

One distinguished economist in a Canadian university had it figured out this way weeks ago. The U. S. price picture was getting bad. Our Foreign Exchange Control Board had lifted the lid on its secrets and revealed a relatively strong exchange position. FECB got through legislation giving it continued control over capital movements. The professor expected a parity move in September as soon as the main inflow of U. S. tourists was past. Accordingly he decided to sell a U. S. bond in his box and collect his premium.

See Aid for Taxpayers

One important thing which upward pricing of our dollar does is foster imports here from Britain and European countries. We Canadian taxpayers have made many very substantial loans over there. Our only real hope of getting our money back is to buy their goods. In most of those countries costs have soared so far upward that their manufacturers were virtually frozen out of the Canadian market. Our 10% move gives them a little extra leverage for getting into the Canadian market and paying us off. Canada thrives only on vast exports and that means vast imports. Additional supplies of goods in this country are the best brakes for our own inflation problem.

The Ilsley parity announcement was made at 8 p.m., July 5. For some gold mines, what was ore at 7.59 was just rock at 8.01. Golds were certainly the most seriously affected industry. With this fixed price commodity, there is no passing on to the buyer of added "costs." As indicated in an article and tabulation on page 31, $35 instead of $38.50 for gold in Canada will quite probably put some Canadian mines into the red, perhaps out of business for the present.

Mining men and alert investors have, of course, long ago hedged their position against the inevitable someday when the exchange rate would be changed. They have recognized, too, that their industry had no "divine right" to the premium or for that matter to a $35 basic price. No moral or economic law makes either of those figures immutable.

Talk of an increased gold price will of course help revive some of this week's blighted spirits. The wildest theories will be circulated on that fond hope. If events of the past are to be taken as an infallible guide as to the future, then the logic is that sometime the price of gold will be increased. But if any board room theorist tries to tell you the price of gold is going to be increased next week or next month, you can safely conclude he would fight fires with gasoline. The U. S. can be depended upon not to try that way of fighting inflation.

Gold miners, prospectors and promoters have made a most important contribution to Canadian development. They have pushed back the Canadian frontier. Gold production was a mighty cushion for the Canadian economy during the dark depths of the depression thirties. It is unfortunate that the parity move had to hit any Canadian industry.

Must Continue Decontrol

Along with the parity move, Ottawa has reaffirmed its determination to fight inflation at home with the same old weapons of price control and subsidy. The weapons have been changed a little but they are basically the same.

It is to be hoped that horrible examples of U. S. price increases in the early days after demise of OPA don't scare Canadian officialdom into reversing or slowing down its domestic decontrol policy. If labor leaders will let their followers stay on the job and produce goods, it is to be expected that the general U. S. price level will soon lose much of its violent upward thrust. It is, of course, commonly expected that U. S. prices generally will level off substantially higher than the present. It has long since been recognized in Canada that, human nature being what it is, our mighty price control machinery could not completely stop price increases, only keep the brakes on, slow down the rise, give us "controlled inflation."

Production, torrents of goods, dynamic new enterprise, the maximized flow of trade—those are the only ways to price stabilization and the avoidance of inflation disasters. Canada must continue to progress with the de-control job.

U. S. Newsprint May Jump $12 Montreal View

Half of Increase Needed To Compensate Producers for Parity

By ARTHUR STYLES

MONTREAL (Staff) — Persistent rumors here forecast a price boost of about $12 a ton, in Canadian newsprint sold to the United States.

Observers here say $6 of the prospective boost will be used to offset the recent loss of the U. S. dollar premium. The balance will be applied by the industry to offset the effect of recent freight rate increases, and generally higher costs, particularly labor and wood, with something available for net profits.

U. S. publishers are said willing to pay a higher price, to guarantee their supply. They realize that no Scandinavian newsprint will be exported to the United States unless the price there is substantially increased. The publishers recently asked the OPA to grant a newsprint price increase but the request was made at the time the OPA was in its death throes, and was not acted upon.

It is now felt that Canadian producers may announce a price increase before a new price control agency is created by Congress. If such a new pricing agency is set up, it is not considered likely that it will roll back all price increases made in the interim period.

How much of a price increase will go to net profits is a moot question. It is generally agreed, however, that 40% might be brought down to net profits. Justification for an increase at this time for the Canadian industry is seen in the fact that removal of the U. S. dollar premium will substantially wipe out earnings made last year, and will have an equally depressing effect on 1946 earning power of newsprint companies.

Parity to Save CNR and CPR $1 Million Each

MONTREAL (Staff)—CPR shareholders will probably see their annual earnings approximately $1.3 millions or $0.10 a share higher than otherwise, as a result of savings arising out of Canadian dollar parity. At the same time the CNR may be able to contribute $1 million more annually to earned surplus.

Total annual savings will run much higher than these net savings. In the case of the CPR, savings on U. S. and London Pay interest and preferred dividends will amount to $1.9 millions and there will be an additional indicated saving of some $1.2 millions on dollar exchange covering coal imports from the U. S. Savings on other materials purchased in the U. S. may run as high as $1 million, it is estimated.

But there is the factor of taxes to consider. Total CPR interest savings on its U. S. and London Pay debt will now amount to $1.4 millions annually, of which perhaps 50% will accrue to the stockholder. The full dividend savings of approximately $500,000 on the London Pay 4% preferred will go, however, to net profit.

On the question of coal costs, there will be a U. S. exchange savings of approximately $0.41 a ton

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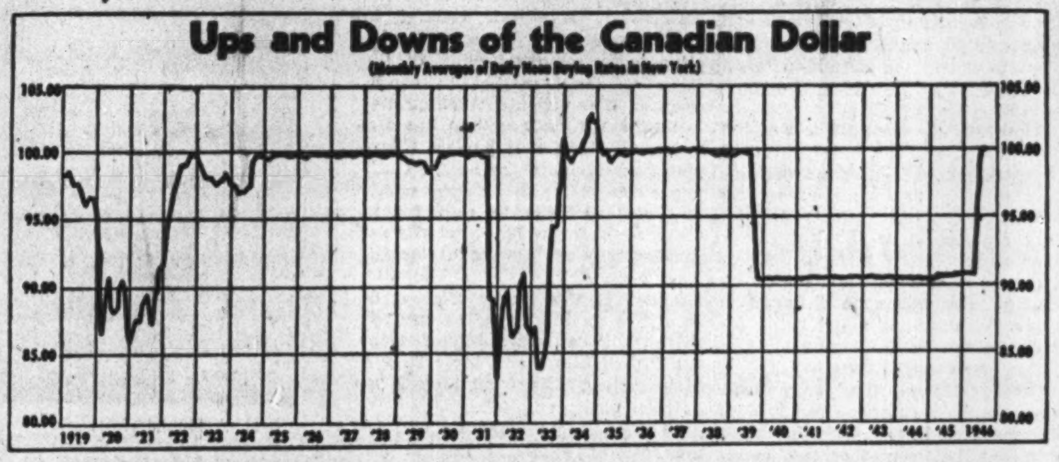

After selling for nearly seven years at an arbitrary 10% discount, the Canadian dollar this week was back at parity with its U. S. counterpart. Financial authorities voiced the belief that the new price represented the real relationship between the two currencies much more accurately than had the artificial figure. The Canadian dollar now is at its highest point since 1938. It stood lowest in 1931 when it was quoted at 82.5c. in New York. Highest point reached by the dollar since 1914 was in 1934

Parity To Aid More Than It Hurts Preferable to Inflation, Most Agree

Canadian Dollar's Soundness Attested by U. S. Market Reaction

Canadians in their first week of business with their dollar at par, found their new economic position something of a mixed blessing.

For two days after Finance Minister Ilsley made his historic announcement in the House of Commons, they could only speculate on what might follow. Stock and bond markets were closed. It was not until the exchanges opened on Monday that the nation's reaction to parity could be translated into terms of dollars and cents. Surprisingly enough, the reaction, when it came, was not nearly as severe as many had expected. Canadian bonds actually moved up in New York.

The move was not altogether a surprise. Observers had seen the possibility when U. S. prices ceilings fell by the wayside a week earlier (The Financial Post, July 6). But it came more suddenly and the swing from depreciation to parity was perhaps sharper than had been generally expected.

When first excitement had subsided, Canadians were able to assess some of the effects of the transition. To every branch of business dollar parity had its own meaning. It was good news for importers and manufacturers who import many of their component parts from the United States. It was definitely bad news for the gold mines, newsprint producers and manufacturers who had been accustomed to receiving payment in U. S. funds.

Confident Dollar Sound

Contrary to expectations, little reaction has been experienced in the market for Canadian internal bonds, except in New York where prices rose above 4/5 of exchange differential. Confidence in soundness of the Canadian dollar along with better yield rate obtainable are said principal reasons for absence of selling.

Across the border, wholesale food prices have risen to the highest peak since July, 1920, according to Dun & Bradstreet. Its index of 31 commodities stood at $4.54 on Tuesday, July 2, compared with $4.35 a week earlier, and $4.11 a year ago. Most spectacular advance was in the cost of butter, which rose from 13c. to 17c. a lb. as a result of the ending of the Federal subsidy.

Hog prices in the United States jumped 25% following removal of OPA controls. Cattle prices advanced $2 per cwt. Corn and wheat went higher and flour prices were marked up another 5c. per cwt.

U. S. Buyers Pay More

What happened when Mr. Ilsley pegged the dollar at par was, basically this:

1. The price of Canadian goods to outside buyers was raised 10%. An American, for example, formerly could buy $1 worth of Canadian goods for 90c. U. S. money; now the same purchase would cost him $1.

2. Cost of foreign goods bought by Canadians was reduced 10%. Where they previously had to pay $1.10 for $1 worth of American goods, the same purchase would now cost only $1.

3. Canadian manufacturers found their competitive position in the domestic market adversely affected. To them removal of the 10% premium on U. S. money amounted to the same thing as removal of a 10% tariff. This was partially balanced by the reduced cost of essential component parts from other countries which will permit some Canadian manufacturers to turn out a cheaper finished product, but those making all-Canadian products had no similar compensation. Still, many believed that rising prices in the United States, where ceilings disappeared a week earlier, would soon eat up any benefit that might have been gained by the change in exchange rates.

4. In foreign trade, the step meant generally that Canadians could be expected to import more. This in turn suggests it would be easier for Britain and other countries to balance their trade with Canada.

Borrowers Fare Best in 'Change

From a strictly Canadian point of view, it's better to be a borrower than a lender in the international money markets these days.

When the dollar moved up to par in U. S. funds, Canadians holding contracts payable at New York or London netted an immediate saving of roughly 10% on both principal and interest payments. It was a case of the borrower gaining at nobody's expense. Oddly enough, nobody lost on the transaction. Creditors received full payment in the funds of their own country, as before.

Retailers Take It In Stride, Gold Mines on Chin, Importers Happy

Canadian gold mines took it on the chin, manufacturers dependent upon imported parts in their production in Canada saw prospects of a slight reduction in costs, and retailers on the American tourist track were taking U. S.-Canadian parity in their stride this week, a Financial Post opinion roundup reveals.

Businessmen in many fields showed a surprising unanimity in their general approval of the change. While there were some who felt their own position had been adversely affected, most agreed that, in the long run, dollar parity would benefit more Canadians than it would hurt.

Typical of the comments were the following:

A refrigerator manufacturer: "Our industry would have been forced to apply for price ceiling relief because of mounting costs. The 10% saving in exchange on U. S. components should ease our position and bring over all costs into a more favorable position in relation to ceiling prices."

An electrical appliance firm: "We have close United Kingdom connections. With the pound at $4.02 we should be able to bring in British lines at a price competitive with similar products made up from U. S. parts."

An Automotive Executive: "We have a fairly high inventory of U. S. made components on hand so will not experience any price relief for a while. In the long run it should mean a small reduction in car prices."

A /manufacturer (electric appliances): "If U. S. materials had been in good supply when the drop in the American dollar came," one manufacturer said, "we might have run into some stiff competition. As it is, rising prices over there will probably serve as ample protection for us."

A manufacturer (farm implements): "The new exchange rate might mean a reduction in Canadian tractor prices, since many tractor components came from across the border.

"If we had left the dollar where it was and taken controls off instead, the resulting inflation spiral might easily have jumped costs so much that our position in foreign markets would have been much worse than under the new exchange rates."

An oil company official believed Canadian refineries should benefit by a reduction in the cost of most crudes, corresponding to the exchange drop, as the bulk of crude refined in Canada is paid for in U. S. funds. However, he added, U. S. producers are talking of a 25c. increase per barrel on crude oil (representing a jump of about 20%), which would more than offset the present exchange advantage.

A newsprint producer: "Before the premium was withdrawn our costs justified higher newsprint

(Continued on page 3)

Canada's Course Unwise, Wall St. Says Others Declare Parity Move Sound

By KENNETH R. WILSON

NEW YORK (Staff) — Topflight Wall Street opinion is divided as to the meaning and ultimate results of Canada's sudden move to parity. In off-the-record talks with big-name American investment and banking leaders I have found these sharply divergent views:

1. That the parity decision was hasty and precipitate, and is likely to have serious adverse long-term effects on Canada's export trade.

2. That Canada has shrewdly "called the turn" in recognition of U. S. inflationary forces and has made a wise decision which strengthens the dollar bloc vis-a-vis sterling and other currencies.

The pessimistic view concerning Canada's parity move is the more widely held. Many influential Wall Street firms and individuals have had a high regard for Canadian monetary and price control. But I have heard repeatedly this week, fear expressed that the sudden return to parity was out of character with Canada's wise wartime discretion.

It is assumed the chief reason for this sudden move was a fear of what would happen to the Canadian price-stabilization program following collapse of OPA. The immediate threat was taken to be the sort of "raiding" of Canadian supplies by Americans which occurred last week and which presumably would have continued and possibly increased all summer by reason of the price spread between the two countries.

Think Canada "Hasty"

But many observers here express surprise by the current hysteria over U. S. price levels. They believe the U. S. labor revolt of recent months has pretty well run its course and that very soon a vast flow of goods from American plants and factories will offset the present price hysteria.

Very soon, also, they see this vast output of goods going out into world markets at prices which are still relatively good. They think, therefore, that Canada has now sacrificed a valuable 10% advantage; that by going back to parity she puts herself in direct competition with these American exports and loses what was, in effect, a 10% world tariff "protection."

Believe Inflation Curbed

These same people argue that Canada having adhered to a wartime policy of "stability before parity" would have been wiser to use customs embargoes to prevent the current drain of goods, rather than disturb our long-term trade position, at least pending further clarification of U. S. price levels. The majority, if not the unanimous view here, is that there will be no runaway price inflation now that OPA is dead.

Another view is that Canada's action was thoroughly justifiable. In view of her huge accumulation of American dollars as disclosed recently in Parliament and in view of her relatively lower cost and

(Continued on page 2, col. 3)

The Full Story Of Dollar Parity

Revaluation of the Canadian dollar in terms of foreign currency affects virtually every individual and corporation in Canada—some beneficially, some adversely. Detailed stories of its effect on specific groups and industries will be found on inside pages as follows:

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Goodyear Building Factory To Make Two New Products

A $2 million plant expansion for Goodyear Tire & Rubber Co. of Canada to provide facilities for the manufacture in Canada of two new products — airfoam and pliofilm — has been announced by President A. G Partridge.

Airfoam, a sponge-like material used for mattresses and vehicle, theatre and furniture seats, is made from frothed rubber latex. Pliofilm is a transparent rubber hydrochloride film used particularly as a packaging material for fresh and wrapped foods.

Excavation has been begun, preparatory to erection of two new buildings near the main Goodyear plant at New Toronto. Plans call for two structures, each two stories high, joined by a connecting bridge. Total floor space will be 88,000 sq. ft. Excavation was commenced on June 3, 1946, and construction of the brick and steel building will soon be under way. The new plant is expected to be producing at capacity early in 1947 and will add about 150 new employees to the company payroll.

To date these two products have been sold to a limited Canadian market through special arrangements with Goodyear in Akron, Mr. Partridge stated. It is now felt that demand has reached the point where production in Canada is in the interests of the Canadian public. Addition of these new products, and the necessary expansion of plant facilities at New Toronto, is in keeping with Goodyear's policy of looking to the future and keeping pace with market demands.

Claim Parity Will Aid World Trade

Dominion Move, Opening Door to Imports, Will Enable Old World Nations to Regain Markets and Pay Debts

OTTAWA (Staff) — Government circles here are giving little or no weight to the consideration, advanced by some businessmen, that restoration of parity between Canadian and American dollars is tantamount to a 10% tariff reduction," seriously reducing the protection of Canadian goods against foreign competition.

It is admitted that the new exchange rate will materially assist foreign countries trying to export goods to Canada, but this is not regarded as an argument against the change. Up to now, Trade and Commerce officials have been deeply concerned with the effect of the Canadian price ceiling as a deterrent to imports. In most cases, particularly of British and European goods, the price ceiling amounted to an embargo, for no European country is manufacturing today at costs low enough to allow retailing at 1941 Canadian price levels, or even at the moderate advances therefrom which the Wartime Prices and Trade Board has authorized.

It was this concern which led, last February, to the order granting special privileges to importers—permitting them to set, on imports from war-devastated countries, a price far higher than the domestic ceiling, consisting of a fixed markup over the laid-down cost to the importer.

Welcome Slight Relief

This did allow imported goods to enter Canadia and go on the market here, but it still put them in an almost impossible competitive position, since their prices were so much higher than those of Canadian-made goods. Trade and Commerce welcomes the slight relief that the 10% currency adjustment will give it.

Reason for this desire to encourage imports is simple and plain. Canada is extending large credits to Britain and European nations, which can only be repaid in goods. Canada must give these countries a chance to sell their goods abroad, or give up all hope of getting her money back. The Government prefers the former alternative.

Anyway, officials do not believe that Canadian industry will be broadly or seriously hit by this reduction in the protection it has enjoyed. No check has been made to permit a definite and categorical statement, but officials would be "very much surprised" if any Canadian manufacturer were able to make out a convincing case against the change on the ground of protection. In almost every line, the costs of imported goods have run higher than domestic costs. Textiles, for example, have been and still are heavily subsidized in order to bring the imported price down to Canadian levels.

Case for Tariff Board

Moreover, it is pointed out that if any Canadian manufacturer faces a serious threat from foreign competition now, he should take his case to the Tariff Board, not to the Foreign Exchange Control Board. If he needs protection and is justified in claiming it, the protestion should be specific and not general.

"We can't maintain an exchange differential just because it gives protection to some industries," one official said. "There are too many other things involved."

Most important of these at the moment is maintenance of Canadian price ceilings, in the face of uncontrolled prices in the United States.

Washington price control author-

(Continued on page 8)

Inside News

Nazi Raiders Fooled

Britain's largest chemical plant, employing 15,000 workers, was scarcely touched by enemy bombs during the war, due to an elaborate decoy system, which led Nazis to waste their bombs a mile and a half away. Floyd Chalmers, executive vice-president of Maclean-Hunter Publishing Company Limited, tells of visiting the gigantic plant in York. Chalmers' Diary (p. 16).

Tories on Way Back

The British Conservative party appears on the way back, after its defeat at the polls a year ago. Appointment of Lord Woolton, a former Liberal, as Party Chairman, is expected to help shorten its stay in the wilderness. Troubles are multiplying for the Socialist Government. And public insistence has revived the "old school tie" tradition in cricket. London Calling, by Adelphi (p. 9).

Can We Shun Inflation?

Can Canada insulate herself against inflation? The Dominion took one step in that direction last weekend, by restoring her dollar to parity. The Financial Post polls economists, editors and others on other steps which might be taken, as a sequel to expiration of OPA price ceilings in U. S. (p. 28).

Duplessis Scores

Premier Maurice Duplessis won a strategic round in the campaign for provincial rights, when a Union Nationale candidate captured the Compton seat, in the Quebec Legislature, from the Liberals. Observers saw the contest as the death warrant of the isolationist Bloc Populaire, which ran an extremely poor third. British Columbia again pondered whether Premier Hart planned to retire; and if so, who would succeed him. Provincial Roundup (p. 7).

MacNab Sells Bralorne

MacNab's investment manager sells Bralorne shares, leaving proceeds uninvested for the moment. As at June 14, capital gain on original $10,000, amounted to 61.78%. Managed Investment (p. 25).

Orange Cabooses

Canadian railways are reported increasing the use of paint as a safety aid. For better visibility CNR freight train cabooses are now being painted orange, instead of the old-time red. A new golf meter and club selector pencil, is designed to do the golfer's thinking—but not his driving—for him. What's New in Business (p. 12).

How Budget Works

There was more in the budget presented recently by Finance Minister Ilsley, than met the eye at first glance. Tax changes, although relatively minor, affected many individuals and industries; tariff revisions proposed, covered a wide and varied range of commodities. The Financial Post analyzes some aspects of the subject (pages 27, 29).

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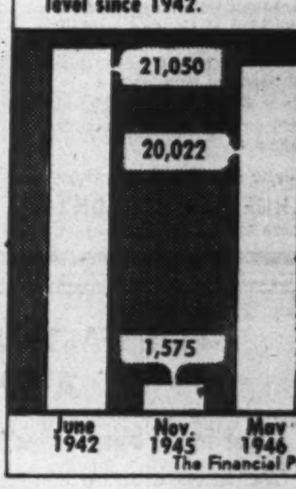
Pace of Business



In spite of strikes and shortages, Canada's automobile factories turned out in May the largest number of vehicles for any month since June, 1942. Each month since the low point of Nov., 1945, has brought increased output, and the May rate of production would be sufficient to replace all the vehicles in Canada within five years.

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AURORA YELLOWKNIFE MINES plans an extensive prospecting and diamond drilling campaign on its large acreage. Company also holds an interest in Slemon Yellowknife Mines which is starting a drilling program.

SANNORM MINES has received payment of $5,000 for 25,000 shares, covering June 25 underwriting installment. Issued capital—2,175,000 shares.

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Canada's Course Unwise To Many, Not All, in U.S.

(Continued from page 1)

price structure, it is argued that Canada has again been shrewd and long sighted and has taken proper steps to strengthen herself in terms of American dollars and against sterling.

The 10% discount, it is pointed out, was part of the old, traditional policy of keeping the Canadian economy midway between pounds and dollars. Present-day facts suggest that sterling is weakening rather than strengthening in terms of dollars and that return to parity by Canada recognizes that Canadian trade, in future, is going to be increasingly with America.

Investment Reaction

Investmentwise, the parity decision, though a complete shock, does not appear to have greatly disturbed relations between the two countries. There are many harrowing tales here of big transactions which "missed the boat." But the important fact seems to be that most if not all of these transactions (some involving considerable new investment in Canada) will go ahead irrespective of the return to parity.

However, American trading in Canadian issues is expected to decline, with some softening of the Canadian bond market in consequence. The argument behind this is that, since the premium has disappeared, there will be less Canadian refundings in the States. Gatineaus are quoted as an issue which will now probably be refunded in Canada. Even the Montreal city refunding may not now take place in New York.

Added to this larger offering of securities on the Canadian market, there will be fewer buyers from the United States and some United States sellers who want to cash in on their parity windfall.

Of increasing importance will be the free or unofficial market for Canadian dollars in New York. At midweek this had stabilized at about 1% below the official rate as compared with a spread of 1⅛% to 1¾% when markets first opened on Monday.

B. C. Hard Rock Miners Strike In Demand for 40-hour Week

From Our Own Correspondent

VANCOUVER—No sooner did British Columbia get its 35,000 loggers back on the job after a crippling strike which lasted more than a month, than some 2,500 hard rock miners walked out for higher pay and other coscessions.

Twelve operations are involved so far, and production of most of the gold and copper in the province's mines has been halted. The workers quit after the operators refused to meet their demand for a 29 cents an hour pay increase, 40-hour week, union security and industry-wide negotiations.

Operators say the 40-hour week cannot be put into effect in most mines because of the time consumed in going and coming from portal to underground operations. The industry offered 6½ cents, pointing out that the increase demanded by the union would raise costs some 50% in some mines and generally cause waste of much low-grade ore.

Chief Justice Gordon Sloan, who acted as conciliator in the forest industries dispute, has been appointed enquiry commissioner in the mine dispute.

An additional blow to British Columbia miners was the return of the Canadian dollar to par, which automatically cuts down the price of gold by $3.50 an ounce and also reduces the profit—or increases the loss—on base metals, a large proportion of which was marketed in the United States.

Some operators said that the change in the exchange, plus labor trouble and costs of operation, might result in some of the mines not being reopened, regardless of the nature of the strike settlement. To equal 1938 returns, they said, gold mines would have to receive $51 to $52 an ounce for their output. Costs of operation since 1938 have advanced at least 25%, which would require a price of $48, and the $3.50 loss through exchange revision would add another $3.50.

Among the British Columbia mines affected by the deadlock are: Bralorne, Pioneer, Kelowna Exploration, Hedley Mascot, Cariboo Gold Quartz, Sheep Creek, Silbak Premier, Britannia, Granby and Base Metals. All but the last three named, are gold producers.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Aireon Manufacturing Corp. — Gerald Preshaw, vice-president and treasurer.

Agricultural Institute of Canada —Frank Foulds, Ottawa, president; R. K. Bennett, Montreal, vice-president.

Baker Advertising Agency (Toronto)—Gabriel Langlais, Montreal, consultant on Quebec market.

Bell Telephone Co. of Canada (Montreal) — Willard C. Beamer, assistant vice-president of information.

Crown Life Insurance Co.—C. F. W. Burns, a director.

Canadian Association of Advertising Agencies—T. L. Anderson, president; Hector Fontaine, vice-president; Harry M. Tedman, secretary-treasurer.

Construction Borings Ltd. (Montreal) — Walter N. Rook, Toronto, a director.

Canadian National Railways—Gordon E. Smith, general freight agent, Toronto.

Canadian Vickers Ltd. (Montreal) —James W. Savidant, a director.

Canadian Industries Ltd. (Montreal) — Crawford H. Greenewalt, Wilmington, Del., a director.

Canadian Exporters' Association—J. C. McDerby, manager eastern division, Montreal.

Dominion Sound Equipments, Ltd. —C. C. Curran, district manager, Toronto; L. B. Hutchison, special sales duties, accoustical dept.

Donahue Corp. of Canada—H. B. Naramore, A. J. Donahue, Jr., vice-presidents; B. H. Welch, secretary; Kenneth Anderson, treasurer.

Financial Counsel—John J. Hartney, manager, Toronto office.

Great-West Life Assurance Co.— Chas. C. Martin, superintendent, eastern agencies, Toronto.

Graphic Engravers Ltd. and York Electrotypers (Toronto) — W. T. Northgrave, president; W. T. Northgrave, Jr., general production manager; S. M. Philpott, sales manager.

C. W. Lindsay & Co. (Montreal)— Ernest Perkins, a director.

Northern Assurance Co. (Montreal)—James Young, assistant manager for Canada.

Ontario Livestock Truckers Association — Percy Reynolds, Bowmanville, president; D. Snyder, Baden, vice-president; George Constable, Churchill, treasurer.

Royal Ontario Museum — Dr. Dorothy Burr Thompson, acting director, museum of archaeology.

Review Printing Co. (Peterboro, Ont.)—P. J. LaBranche, managing director.

Thayers Ltd.—Murray McPherson, general manager and director.

United Steel Corp.—W. T. E. Smith, general sales manager; D. S. Robertson, contract estimating manager.

Union Gas Co. of Canada (Chatham, Ont. —S. A. Morse,, chairman of board; D. P. Rogers, president; R. L. Warren, B. L. O'Brien, vice-president; Thos. Weir, general manager; E. F. Palin, controller.

Vincent Mining Corp. (Toronto)— E. A. Horton, executive assistant to president; R. A. Armstrong, treasurer.

Vancouver Sun — Don Carlson, business editor.

Francoeur S 201 Hole Intersects $11.16 Ore

Diamond drill hole S 201 of Francoeur Gold Mines, located 100 ft. east of hole S 118, has intersected the west ore body at a vertical depth of approximately 550 ft. The hole averaged $11.16 across 6.9 ft. Hole S 118 gave $18.86 across 9 ft.

A drill hole north from the station on the 4th level to explore a tuff band in which gold values had been indicated, located mineralized tuffs, but gold values were low. The hole, however, indicated possibility of a new ore body just above the Francoeur fault zone, the company states. Core averaged $7.31 across 13.2 ft. at 25 to 38.2 ft.

Gaspe Oil Ventures Starts Initial Well

Gaspe Oil Ventures has started drilling initial well on property comprising six contiguous claims, approximating 7,680 acres in Galt and Gaspe Baie Sud twps., Que. Work commenced on No. 1 well on June 1 with a depth of 312 ft. reached to date.

Shares were listed on the Montreal Curb Market July 2, 1946. Ticker abbreviation is GOV. Cash balance as at March 31 totalled $700,000.

Look For It Here

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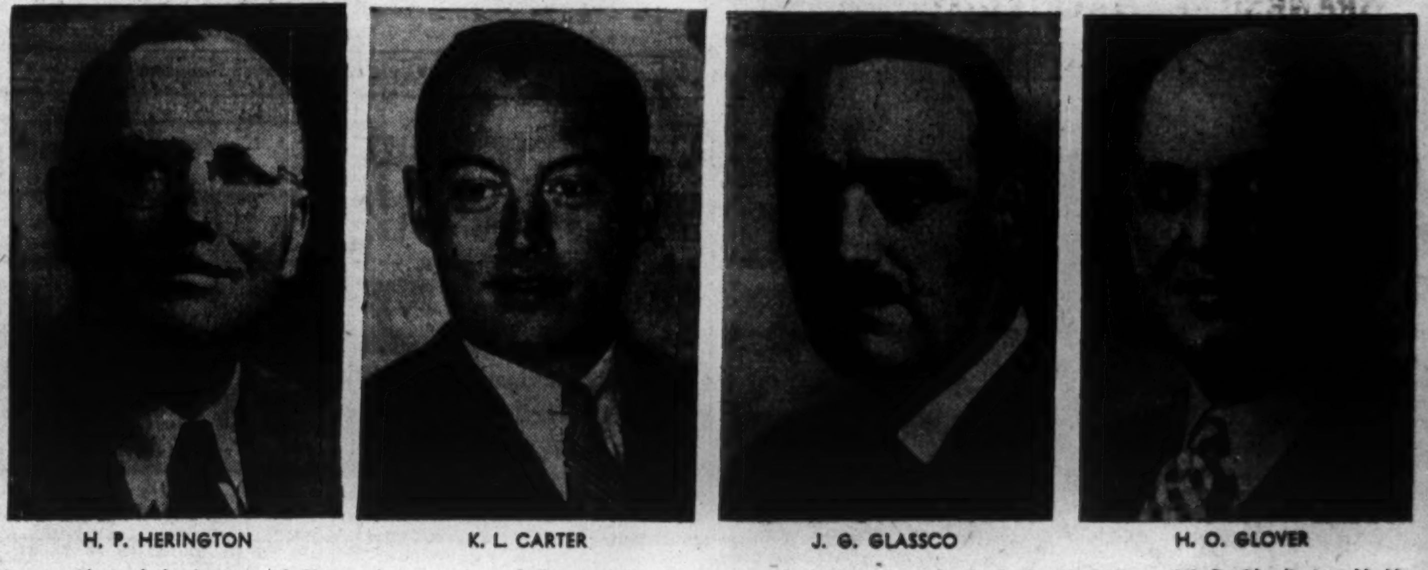
Chartered Accountants Elect New Officers and Council



H. P. HERINGTON — K. L. CARTER — J. G. GLASSCO — H. O. GLOVER

New president of the Institute of Chartered Accountants of Ontario is H. P. Herington, who succeeds C. A. Patterson to that post. K. L. Carter was named first vice-president; J. G. Glassco, second vice-president; and H. O. Glover, secretary-treasurer. Other members elected to the Institute Council at the annual meeting were: B. A. Armstrong, R. C. Cowle, H. E. Crate, W. D. Glendinning, H. H. Milburn, D. J. Sales, G. W. Smith, W. A. Staples, R. B. Tayler, D. F. Wilson and J. A. Wilson.

Parity to Save Rails a Million

(Continued from page 1)

on U. S. coal consumed. But against this indicated, must be set the recent $0.40 a ton boost in the price of U. S. bituminous and the $0.06 net ton freight increase recently granted U. S. carriers of bituminous coal by the ICC. On balance, therefore coal will cost the railroads more per ton now than it did a month ago, and revaluation of the Canadian dollar merely serves to cushion the effects of further U. S. coal cost increases to Canadian railroads.

A CNR official estimates the Government line may gain $1 million annually from the change. On interest account alone, the savings would appear to be $2 millions, of which approximately $192,000 is the saving on the sterling portion of the debt. CNR officials point out, however, that interest charges on their U. S. Pay debt have been serviced in the past out of the surplus earning power of their U. S. lines, particularly the GTW. There is, therefore, no gain to the CNR system on its New York interest obligations.

In 1945 the CNR paid out in exchange premiums on U. S. coal imports, more than $2 millions. Though this exchange premium no longer applies, officials point to the recent U. S. coal boost and the recent freight rate hike. On balance, they calculate that their coal will cost more in 1946 than last year, despite dollar parity.

No Competitive change

Both roads will save something on their fixed rental charges payable in U. S. funds but again, in the case of the CNR, U. S. charges for leased roads and equipment were met out of U. S. earning power, while for the CPR savings in this respect are not expected to reach $100,000 annually.

The railways do not foresee any change in their competitive position growing out of dollar parity. They point to the withdrawal last week of the 6% surcharge imposed by the Board of Transport Commission when the Canadian dollar originally went to a discount. Its purpose was to enable Canadian railroads to re-imburse U. S. lines for that portion of the rail haul which was within the U. S. on the through rail rate.

Besides enabling Canadian railroads to make their inter-road settlements in U. S. funds without loss, the surcharge had the effect of retaining channels of railway traffic as they were before the war, railway officials say. Its removal will merely place the railroads on the same competitive traffic basis as in 1939.

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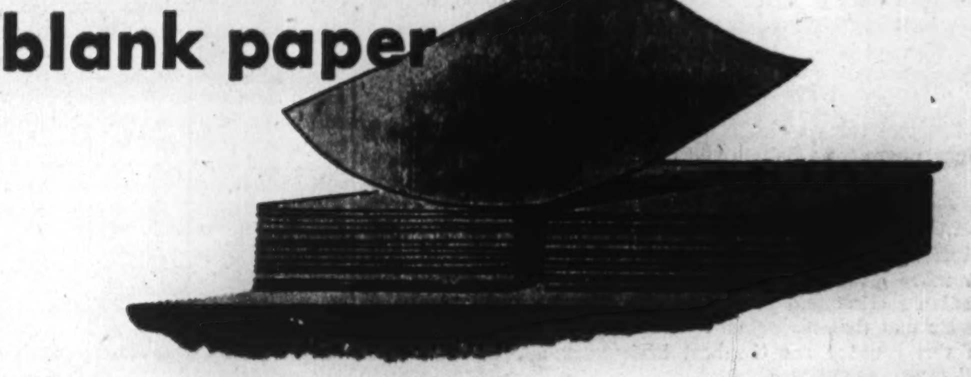
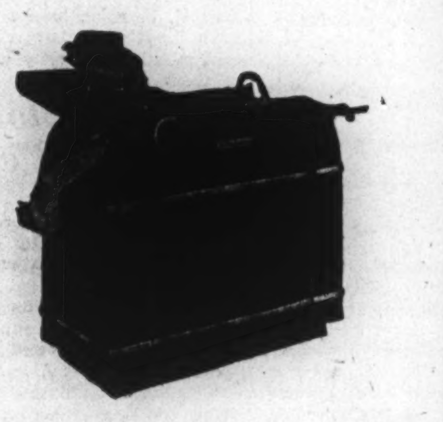
With headquarters in Toronto, Mr. Martin will be responsible for the supervision and further development of the Company's Eastern Agency Organization.





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Dollar Parity Slashes Profit Of Paper Firms

See Total $27 Millions Loss, 60% to Government

MONTREAL (Staff) — Dollar parity means an annual $27 million body-blow to the total earnings of Canadian pulp and paper companies. Some $19 millions is the indicated loss on newsprint sold in New York funds; the balance of $8 millions is the estimated loss of the dollar premium formerly obtained on exports of woodpulp to the U. S.

Shareholders' losses, however, won't likely exceed $11 millions; approximately 60% of the total indicated loss will likely be sustained by the Government on taxes. Against this indicated shareholder loss must also be set savings possibly of $500,000 yearly resulting from elimination of the U. S. premium on two-way pay bonds.

Last year over 2.5 million tons of Canadian newsprint were shipped to the United States. Through May this year approximately 1,320,000 tons have been sold to U. S. publishers and estimates place the year's total at three million tons—close to 80% of Canadian 1946 production.

On the basis of $67 newsprint, the current delivered New York price, Canadian mills formerly realized an exchange profit of about $6 a ton after deducting freight charges. Mill net, therefore, was the equivalent of $60 per ton, U. S. funds, on which the 10% premium applied.

In woodpulp, the tonnage affected is not as substantial as in newsprint; but the U. S. dollars realized per ton of woodpulp sales were greater. It has been estimated that approximately $90 a ton is being realized on woodpulp sold in the U. S. this year. This would be the equivalent of an additional $8 a ton in earning power, after deducting freight charges. Last year the industry exported slightly more than one million tons of woodpulp to the United States, and 1946 exports may again reach this total.

Canadian Banks to Lose On U.S. Dollar Holdings

Drop in Value of American Currency in Bank Tills Estimated at $364,000 to $546,000 — FECB Takes Biggest Loss

Canadian chartered banks will probably lose between $364,000 and $546,000 through return of the Canadian dollar to par with the U. S. dollar according to estimates given The Financial Post.

On July 5, when the change in the exchange rate was announced, the chartered banks are estimated to have had in their tills between $4 millions and $6 millions actual U. S. currency. This money acquired at a rate of $1.10 Canadian funds as soon as the announcement was made was worth only the par value.

In some banking circles, it is argued that as the banks since the beginning of the war have been acting as agents of the Foreign Exchange Control Board, the board should stand any loss on exchange that might occur.

In FECB quarters, it is understood unofficially, the position is that while the Board will stand the loss on any large balances cleared by the banks to it, actual cash in the tills has always belonged to the banks and they will have to stand the loss accordingly. Louis Rasminsky, alternate chairman of the Foreign Exchange Control Board told the Banking and Commerce Committee of the House of Commons on [illegible] that in currency deals the banks acted on their own and not as FECB agents. Some bank executives agree with this view.

Those who hold this opinion say that when foreign exchange control was established the banks made a profit on any U. S. exchange they had acquired at lower rates and that the advantage gained then offsets any disadvantage suffered now.

The banks, it is also contended, are in exactly the same position as many merchants and hotel keepers who took in substantial amounts of U. S. dollars over the July 4 holiday, paying their customers the customary premium. In many cases these U. S. dollars were resold promptly to the bank but not in all.

Another comparison made is that of manufacturers or importers who may be affected adversely by tariff changes announced in a budget.

On large balances held by the banks for FECB account there appears to be no doubt the Board will stand the loss.

FECB Loss $92 Millions

It is pointed out also that while banks, merchants and hotel keepers may take a loss on their U. S. exchange, the big loss is taken by the FECB itself. The Board's annual report as at Dec. 31, 1945, shows $1,014 millions of U. S. dollars as its principal asset. On this the loss will be approximately $92 millions. Total assets in other than Canadian funds at $1,412 millions may show a loss of $130 millions.

Changes in the sterling exchange rates from $4.43-$4.47 to $4.02-$4.04 do not affect the banks the same way as the change in the U. S. dollar rate. Under the regulations, banks were prohibited from holding British currency on their own account. Accordingly, all, sterling exchange held by the banks belongs to the FECB. The report of the Board as at Dec. 31 showed the assets as including $7.5 millions on which the loss will be approximately $700,000. The Bank of Canada also shows slightly over $2 millions U. S. dollars and sterling exchange on which the loss will be almost $200,000.

Meanwhile, bankers and FECB officials point out that there has been no alteration in the regulations affecting purchase of foreign exchange, or transfer of funds out of the country.

First Drive-in Movie Theatre To Be Followed By Five More

Canada's first drive-in highway movie theatre—to which the family brings its own seats under gasoline power— opened this week on Hamilton's outskirts. Occupying an area of 13 acres, it may be followed by construction of at least five others in major centres of the southern Ontario region, from Toronto west.

Owner and operator is Skyway Drive-in Theatres Co., of which the president is H. B. Housser, H. B. Housser & Co., Toronto stockbrokers. Largest stockholders are Harrison & Co., with Vincent Mining Corp. also heavily interested and providing management direction. No immediate public issue is contemplated. The executive, besides Mr. Housser, includes Norman Vincent as vice-president, R. A. Armstrong, comptroller, R. Leliever, secretary. Directors are T. R. Harrison, Jack Kent Cooke, Roy H. Thomson, Gordon K. Masters. General manager is R. H. Manley, Geneva, Ohio, owner of several U. S. drive-in theatres. Hamilton manager is Tommy Lancaster, Montreal veteran of the Dieppe raid and experienced in management of similar enterprise in United States.

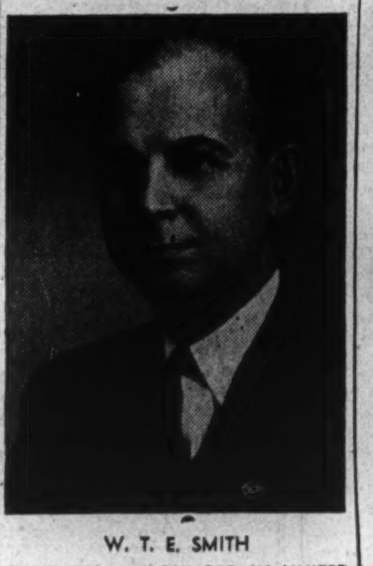
U. S. drive-in theatres—about 150 of them—are said to be prospering, without a recorded failure so far.

The drive-in theatre consists simply of a big open lot averaging 10 to 18 acres, with accommodation for 700 to 900 cars, projection equipment and a giant screen. Adults are charged 50 cents each; no charge for children. At four adults per car, Skyway officials estimate the "take" might run around $1,500 a night during midsummer, when light conditions restrict the evening performance to a single show; more with double shows spring and fall.

Basically, the "theatre" is a system of graded and gravelled ramps on which cars of the spectators are ranged before the show starts. There will be no "this is where we came in" movement but instead, ample time to assume positions in advance.

On entering, drivers cut off driving lights and follow guide lights along the fence and access lines. The show proceeds whether it rains or not. Attendants serve refreshments. Reversing the in-city theatre procedure, spectators enter at the screen end of the theatre; are guided to available parking spots in order of entrance. At Hamilton, loudspeaker sound reproduction has been installed initially but individual car "speakers" will be provided later to circumvent fence-climbing pedestrian kibitzers. Only structures on the lot are the screen housing and projection tower, the latter enclosing latest RCA projection equipment.

THOMPSON-LUNDMARK GOLD MINES has appointed D. R. Wilson, formerly underground superintendent at New Calumet Mines, as resident manager of the Yellowknife property. Mr. Wilson plans to rehabilitate surface plant, construct a bunkhouse to replace one destroyed by fire and commence diamond drilling. Underground development is expected to be resumed by first of the new year.



W. T. E. SMITH

CHANGES ANNOUNCED IN UNITED STEEL CORPORATION EXECUTIVE PERSONNEL

United Steel Corporation announces the appointment of W. T. E. Smith as General Sales Manager. Mr. Smith is a member of the Association of Professional Engineers of Ontario; the Board of Trade, and the Canadian Manufacturers Association. He has been engaged in structural and mechanical industries for twenty-five years. In his new position Mr. Smith will direct all sales activities in connection with the company's products which are widely known throughout Canadian industry.

Montreal Alters Plans Will Borrow Less in U.S.

MONTREAL, (Staff)—City council Chairman, J. O. Asselin, told The Financial Post early this week that revaluation of the Canadian dollar to parity would delay the proposed refunding of this city's $202 million debt and that the question of time, markets and amounts to be floated in each market would now have to be determined in the light of new considerations. Particularly the reaction of financial markets to dollar parity.

He stated that original plans to issue $85.4 millions in the New York market would now have to be revised downward substantially, perhaps to $65 millions.

The city will save an estimated $465,000 annually in interest, Mr. Asselin said. $300,000 on the exclusive U. S. Pay and optional U. S. Pay bonds, and $165,000 on the sterling Pay bonds.

When $85.4 millions was agreed upon some months ago as the sum to be financed in New York, Mr. Asselin told The Post, it was felt that such a U. S. Pay issue would be necessary to cover the possibility that the 2 and 3 way pay issues outstanding would require U. S. funds for settlement, as well as the $700,000 exclusively payable in New York exchange.

Big question mark at present time, it is conceded, is how much of Montreal's debt can be absorbed by the Canadian market, a large portion of which would represent new financing. If Canadian capital markets were considered broad enough, the whole of the debt would be financed internally, it is felt.

At the present time, $80.4 millions of the Montreal debt is payable only in the United States or in the United States at the option of the holder, the balance is represented by exclusively Canadian Pay bonds, Canadian or sterling pay, sterling pay only and Canadian or Dutch guilder pay.

Parity To Benefit More Than It Injures, Belief

(Continued from page 1)

prices. Now we have a double-barrelled case for higher prices."

A wood pulp manufacturer: "Dollar parity is a serious blow to the earning capacity of our industry. Undoubtedly corresponding price increases will be obtained for our product in the United States."

A fine paper producer: "Paper shipped to the United States will now have to command a higher price equal to the original United States dollar premium."

A builder: "To the extent that we are able to import building materials from the United States we stand to gain. The catch, however, lies in the fact that very little building supplies are being made available by the United States for export..

A raw material exporter: "Our competitive position in world markets is weakened by the rise in the exchange value of the Canadian dollar unless U. S. prices outstrip this 10% rise. We lose in terms of U. K. exports.

A textile spokesman said the apparent "bonus" on imports might not be fully felt for some time, due to shortages of textiles in both the U. S. and Britain.

Gold mining interests generally felt that with announcement of their exchange premium loss, there should have been a parallel move to compensate them. One promoter wired Finance Minister Ilsley to this effect: "Now that we are getting too many American dollars, there remains no reason to sell our gold to the United States. Why not return hope and perhaps prosperity to Canada's north by offering to sell gold in the world market and pay the mines any addition over $35 pro rata?"

Hope was expressed that the Dominion Government would implement the recommendation of the Senate Committee on Natural Resources by raising the allowance on depletion from 33 1/3% to 50%, but even this, it was felt, would not offset the loss of the exchange premium and would be of no advantage for mines now losing money or only breaking even.

Retailers serving customers visiting Canada on vacation reported overhearing some disappointment at the loss of the 10% shopping bonus, but said they still heard Canadian-controlled prices described as "surprisingly low." They saw in the move no inhibitor of retail sales to tourists.

NATIONAL TRUST CO. subdivision of stock from 30,000 shares, par $100, into 300,000 shares, par $10, and an increase in authorized stock from $3 millions to $5 millions was approved at a special meeting of shareholders held July 3.

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HALIFAX
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A. E. CAMERON *Deputy Minister*

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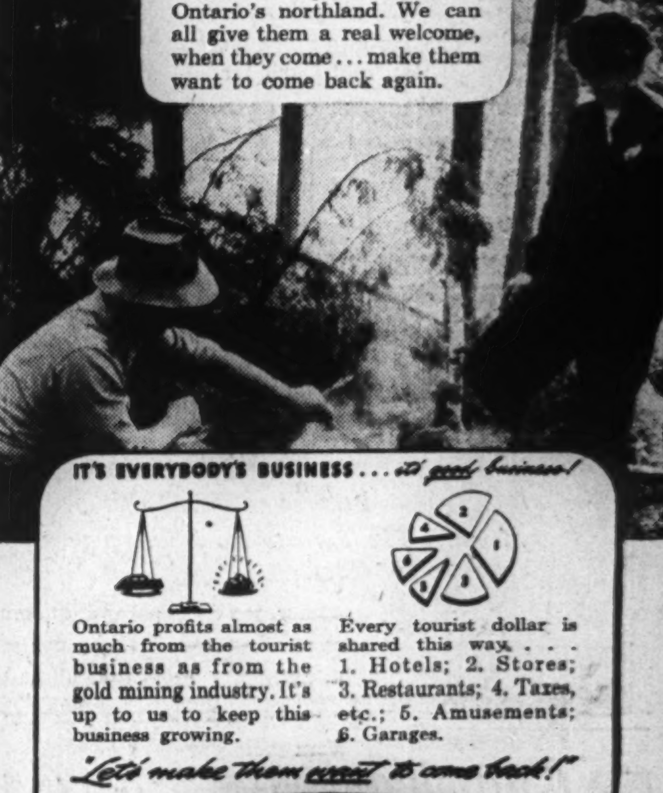

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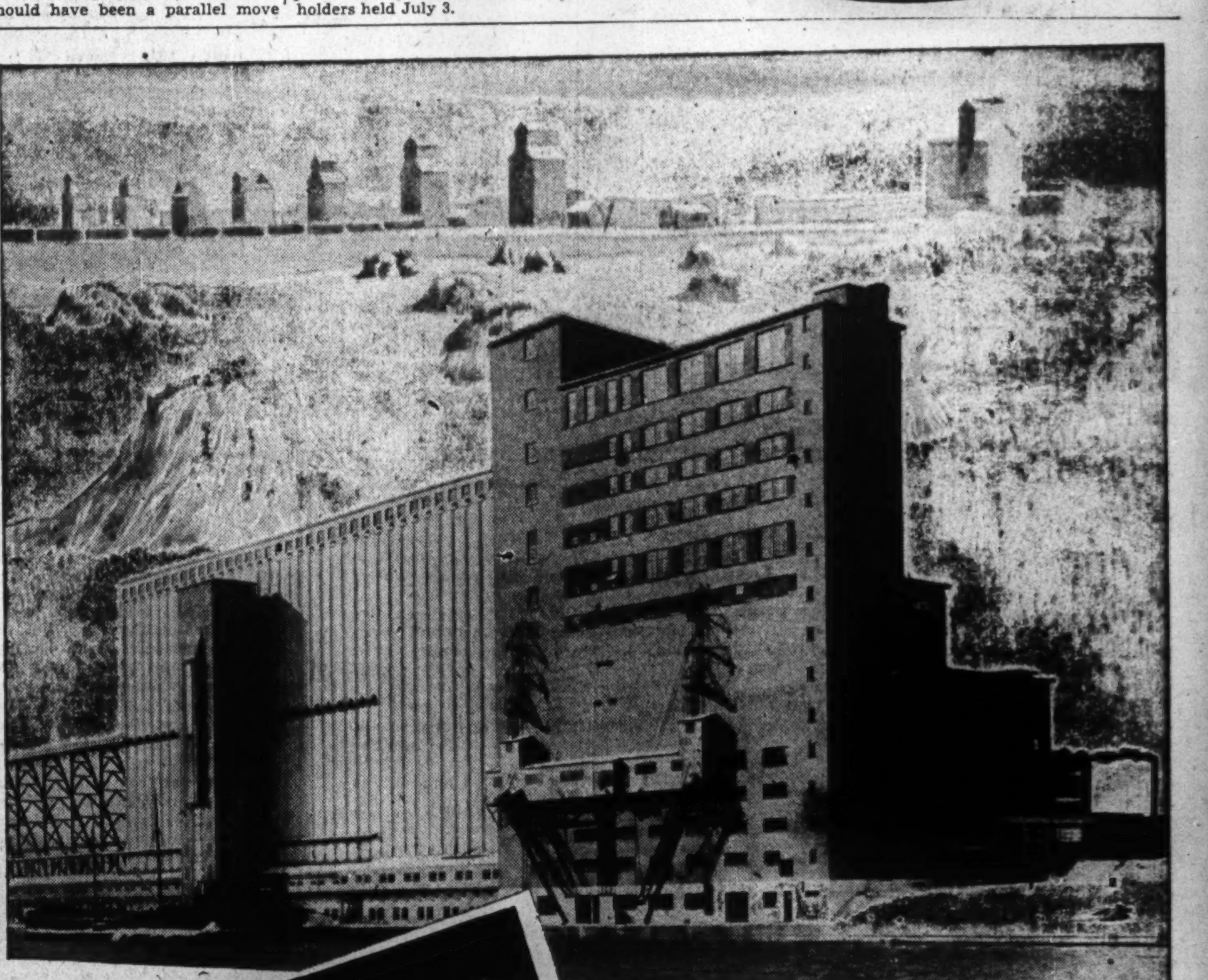

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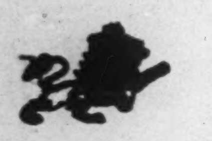

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Textile Stocks Better Than Average In Market Records of Last Decade

By JAMES H. JOYCE

Although there is probably more controversy over the textile group of stocks than any other group, investors in textile company stocks have had a better than average market experience in the last 10 years. Textile stocks, as measured by the Dominion Bureau of Statistics index, are now 76% above their 1937 high while the DBS index of all stocks is still 8% below its 1937 high.

Are current prices for the textile stocks justified? Will the stock prices go higher? Around these questions the controversy wages.

On the bullish side, investors see an accumulated backlog of demand which could ensure maximum production at least for two years according to some estimates. Further as a result of wartime advancements in the industry and restrictions on imports, Canadian manufacturers are believed to have improved their competitive position both as to quality and as to costs of production.

But on the bearish side, investors point to the vulnerability of the industry to downward tariff adjustments and to changes in subsidy arrangements. Further, the industry in the past has been very vulnerable to depression conditions, it is pointed out. A comparatively high incidence of failures was recorded by it in the depression years 1931 to 1933.

Labor a Problem

Vulnerability of textile companies to labor troubles is also pointed to by investors as an unfavorable factor—particularly at present—with so many industries facing demands for higher wages and other labor problems. Textile and textile product firms employed 349 workers for every $1 million of capital in 1939—over twice the 163 worker average for all manufacturing industries except textiles.

Profit statistics appearing in the February-March 1946 Bank of Canada Statistical Summary show the 1944 profit before taxes of 34 primary textile companies as 2 1/5 times (220%) the 1936 figure and for 26 clothing firms as 5⅝ times (562.5%) the 1936 figure. These compare with an increase of just over twice (201%) for all 686 companies analyzed. The net income available to stockholders of the 34 primary textile companies was 41.4% higher and of the 26 clothing companies 166.5% higher in 1944 than 1936. This compares with 21.1% for all 686 companies.

A study by The Financial Post (see June 8, 1946 issue) covering 20 companies indicated an interruption in 1945 of the upward trend in operating earnings although retained net profit and dividends paid were higher. For the 20 companies The Post study showed a 1.7% drop in operating earnings as compared with an increase of 6.2% for the 270 companies covered in the survey. Net results for investors was favorable, as the study showed retained net profits up 2.6% for the textile firms (average was 3.3% for the 270 companies) while dividends paid were up 4.8% (average was 3.3% for for the 270 companies).

Clothing Firms Have Edge

The wartime record of these companies also compares favorably with the average of the other companies. But the clothing firms show much better results than the primary textile companies. Comparison of the Bank of Canada's 1944 figures with the 1939 results, shows that profits before taxes of the 34 primary textile firms were up 47.2% and of the 26 clothing firms up 210% as compared with an average rise for all 686 companies of 54.1%. Net income available to stockholders after taxes was only up 0.2% for the 34 primary textile firms but up 60% for the 26 clothing firms.

Part of the increased earnings has been used to strengthen the financial positions of the textile firms. For 16 textile firms, there was a 12.7% increase in net worth (i.e. total assets less all liabilities and reserves) between 1939 and 1944. (See The Financial Post June 23, 1945). A further increase was indicated for 1945 as the net worth of the 20 textile firms in The Post's 1946 study was 0.7% from 1944.

With regard to wartime profit expansion, "Taxation Statistics," recently issued by the Taxation Division of the Department of National Revenue, (see The Financial Post, May 4, 1946) gives new significant information for investors in the textile group of firms.

How widespread is the expansion of 1944 profits before taxes for a particular group of companies, is indicated by the percentage of companies within the group which were in the 100% excess profit tax bracket. Best performance of the textile manufacturing group is shown by the knitting mills with 54% of the 113 firms paying 100% EPT in 1944. They are closely followed by the rayon and silk textile mills with half of the 22 companies in the 100% EPT class. Four of the six textile manufacturing groups—the two mentioned and apparel and finished textile goods and the cotton textile mills—show a higher percentage of firms paying 100% EPT in 1944 than the 42% average of 6,046 manufacturing companies. Figures for other textile mill product manufacturers and woollen and worsted textile mills fall below this average.

Compare Combined Tax

Another valuable index of the expansion of profits for investors is the effective rate of combined tax paid in 1944 by companies making a profit. Those companies having the highest rate have, of course, had the biggest profit increase. Here rayon and silk textile mills top the list with 69.8% effective combined rate. (Actually this group is seventh highest of any industrial group and not far below the 76.9% high record of the miscellaneous iron and steel product manufacturers.) Next in line are the 626 apparel and finished textile goods manufacturers with a rate of 6.7%.

Footing the list of textiles are cotton textile mills, probably because of the subsidy arrangement on raw cotton purchases which, in effect, limits their profits. With the reduction of the excess profits tax for 1946 and again in 1947, groups showing the highest rate of effective tax may be expected to benefit the most.

A wide variation is shown in the 1944 return on capital before taxes and in the margin of 1944 profit before taxes by the food groups. Lowest return before taxes on capital is shown by the 101 other textile mill products manufacturers (12.05%) and highest by the 614 apparel and finished textile goods manufacturers. The latter group, however, shows the lowest profit margin (6.29%) indicating that its profit depends partly on a high volume of business. Of the six textile manufacturing groups three—rayon and silk textile mills, other textile mill products, and knitting mills—show a higher profit margin than the average (9.41%) of 5,882 manufacturing firms.

Can't Buy Blindly

Investors in textile stocks, however, cannot just buy the stocks blindly. According to "Taxation Statistics" only in the rayon and silk textile mill and knitting mills groups did all companies report a profit in 1944—a good year for the textile industry. The investor, to get the best results, will have to make sure he selects the strong, well-managed companies in each field and will have to watch the competitive angles and general stock market carefully.

In the 1942 stock market drop, the DBS index of textile stocks only dropped 8.4% or about a quarter of the 33.1% drop in the index of all stocks. From their 1942 lows, the textiles have risen 114.0% as compared with 101.8% rise for all stocks. In this period the textile stock index rose 50.5% as compared with 27.6% for all stocks.

Market Tone Surprises In First Week of Parity

The sharpest upset since 1937 was seen in Canadian stock markets in the first day's trading following Rt. Hon. J. L. Ilsley's announcement of the return of the Canadian dollar to parity with the U. S. dollar.

But, after a severe drop in the first hour's trading, prices steadied and then rallied. At the close Monday, many investors were surprised that stocks were not lower. As measured by the averages, industrialists ended the first day down less than 2%, golds and base metals down less than 6% and "papers" down less than 2.6% as compared with the close at the end of the week. All groups were surprisingly strong again on Tuesday with the "papers" closing higher than at the week end.

Many Seek Bargains

Contributing to the rally of the stock market was the steadiness of the Dominion internal bond market. (See page 5.) As a result, investors were even more keen to pick up what they considered "bargains" in stocks.

Action earlier this year on the margin situation had strengthened the market setup. With all penny stocks paid for, a 50% margin on stocks of higher valuations and the market said largely a cash market, there was reported little pressure from forced selling.

Volume of sales for the first day's trading was about double that of the previous Friday but less than for some trading sessions this year. Total volume was 2,083,000 shares in Toronto, 239,700 shares in Montreal as compared with 1,065,000 shares and 115,900 shares respectively on Friday. In Toronto, volume in the first hour's trading was over one third the total day's volume.

Mines Hardest Hit

Hardest hit of any group were the mines. Losses in some golds ranged to nearly 50% at one time although they strengthened later. Marginal gold mines and particularly those in the Malartic area and the "drill holes" showed little resilience. Larger profitable producing mines had a much smaller decline. Unconfirmed rumors of "special concessions" played an important part in rallying this group on Tuesday. These included reports of an increased price for gold and special tax concessions.

In the base metal group, Consolidated Mining & Smelting common dropped over $10 a share but recovered to close at $94 a share—down only $4½ for the day. Hopes of price increases in the United States for its products was a strengthening factor.

The other main group vitally affected was the "paper" stocks. Consolidated Paper, a market leader in activity with 13,195 shares trading in Montreal and Toronto in the day, hit a low of $15½ but closed at $18¾—down only $0.375. Abitibi common was down only $1 a share, M. & O. Paper down $0.75 and Great Lakes Paper down $3½ while Howard Smith common was unchanged. Belief that a large increase in the U. S. price of newsprint (rumored up to $12 a ton) could be expected to offset the loss in exchange premimum, brought in buying.

Action of Canadian stocks in New York varied. Generally speaking, golds were down and industrials up. Distillers-Seagrams hit a new high at $25 a share. CPR was up $⅛. International Nickel was down $⅜. Quotations on interlisted stocks ended the day still out of line. CPR closed $19½ in New York, $20½ in Toronto. Other examples were Distillers-Seagrams $25, $25¼; Internationel Nickel $38¼, $40; McIntyre Gold $58½, $61.

In London good buying of Canadian stocks was reported as prices were adjusted upward as a result of the change in exchange rate. CPR, International Nickel and Brazilian Traction were up sharply. Exceptions were the mines, which lost ground in line with the trend on Canadian exchanges.

MILES RED LAKE MINES says that initial hole drilled in newly found carbonate zone about one mile south of main showing has returned $114 for a core length of 3 ft. The intersection was made about 200 ft. in the hole and adjoining sections are reported to have assayed $4.50 over 5 ft. and $3.75 over 5 ft. Additional cores are being assayed.

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Standard Fuel Co. Limited and its subsidiaries operate one of the largest organizations distributing coal, coke and fuel oil in Ontario.

Dividend requirements on the new 4½% Cumulative Redeemable Preferred Shares will amount to $45,000 compared with $75,140 previously required for the 6½% Preferred Shares which have been called for redemption on August 31st, 1946.

Earnings, available for dividends on Preferred Shares, including refundable portion of Excess Profits Tax of $18,310 amounted to $107,015, for the year ended April 30th, 1946.

We offer as principals:

Standard Fuel Co. Limited
4½% Cumulative Redeemable Preferred Shares
Par value $50
Price: $51 per share to yield 4.41%

Descriptive circular furnished gladly upon request.

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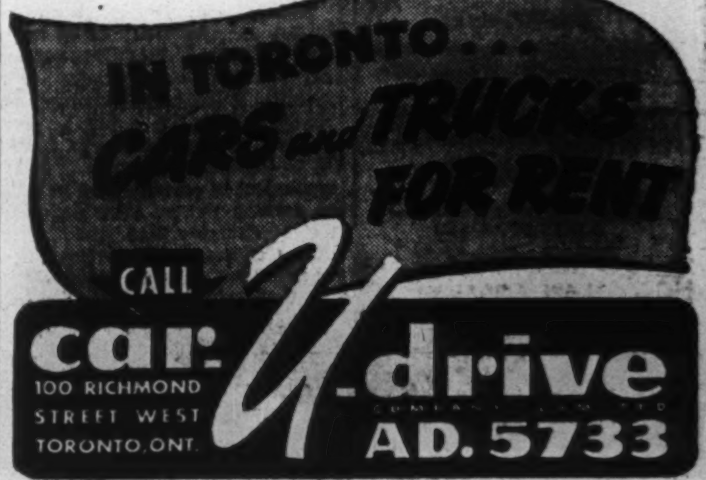

THE NATIONAL CITY BANK OF NEW YORK

Head Office: 55 Wall Street, New York

Condensed Statement of Condition as of June 30, 1946
Including Domestic and Foreign Branches But Not Including The Affiliated City Bank Farmers Trust Company

(IN DOLLARS ONLY—CENTS OMITTED)

ASSETS

Cash and Due from Banks and Bankers		$1,176,800,124
United States Government Obligations (Direct or Fully Guaranteed)		2,561,321,256
Obligations of Other Federal Agencies		39,175,629
State and Municipal Securities		178,926,140
Other Securities		82,764,053
Loans, Discounts, and Bankers' Acceptances		1,074,374,109
Real Estate Loans and Securities		3,561,794
Customers' Liability for Acceptances		13,763,772
Stock in Federal Reserve Bank		6,600,000
Ownership of International Banking Corporation		7,000,000
Bank Premises		29,647,062
Items in Transit with Branches		7,296,487
Other Assets		3,246,015
Total		$5,184,476,441

LIABILITIES

Deposits		$4,872,600,625
(Includes United States War Loan Deposit $562,987,699)		
Liability on Acceptances and Bills	$20,431,822	
Less: Own Acceptances in Portfolio	3,723,376	16,708,446
Reserves for:		
Unearned Discount and Other Unearned Income		2,867,452
Interest, Taxes, Other Accrued Expenses, etc.		30,937,351
Dividend		4,650,000
Capital	$77,500,000	
Surplus	142,500,000	
Undivided Profits	36,712,567	256,712,567
Total		$5,184,476,441

Figures of Foreign Branches are included as of June 25, 1946, except those of the Tokyo and Dairen Branches which are prior to the outbreak of the War, but less reserves.

$810,620,791 of United States Government Obligations and $16,452,887 of other assets are deposited to secure $724,572,192 of Public and Trust Deposits and for other purposes required or permitted by law.

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Constant supervision of your securities by qualified persons will go a long way toward offsetting the effect of unfavourable influences on your invested capital.

Check your investment portfolio against the following questions and see how it measures up.

☐ Is your portfolio well proportioned between bonds, preferred and common stocks?

☐ Are most of your securities readily marketable?

☐ Are the maturities of your bonds sufficiently varied to protect you from a possible change in interest rates?

☐ Are your investments well diversified as to governments and industries?

☐ Are you holding securities which have been called for redemption or which should be exchanged for other reasons?

☐ Is your investment programme providing the maximum amount of income commensurate with security?

These are only a few of the questions which could be asked. If you are not satisfied with your answers, one of our experienced representatives will be glad to call and discuss matters with you without any obligation on your part.

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Investment Suggestions

for July

Careful scrutiny of current offerings and constant appraisal of present holdings are important factors in maintaining a satisfactory investment position. Our "Investment Suggestions" for July, which contains a broad selection of diversified securities, provides investors with a handy guide to available offerings in today's market.

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INVESTMENTS THIS WEEK

Bond Market Holds Firm As Investors Confident

Finance Minister Ilsley's confidence in the Canadian dollar was seconded by the bond market last Monday. Prices of internal bonds were little changed although naturally prices of N. Y. pay bonds dropped to reflect the new exchange rate.

Contrary to the expectation of many, little profit taking from U. S. buyers of Dominion internal issues was seen, either in Canada or the United States. In fact, one report said Canadian internal bonds were hard to buy in New York.

Action of the Bank of Canada in raising its bid price $1⅛ last Saturday to $104¾ for Eight and Ninth Victory Loan 3's is thought to have acted as a steadying factor on the market. Canadian high grade bond prices softened slightly ($0.125 to $0.25 a $100) but held around the Bank's levels. While there was some selling to the Bank, said mostly by Canadian dealers to lighten up on inventories, volume was not nearly what was anticipated.

Quotes on Canadian internal long term 3's rose in New York to about $102½—3½ as compared with about $95 before the announcement but were still below the level in Canada of $104¾ to $105¼.

Little selling is seen likely to come from U. S. holders at this time by financial circles who quoted three reasons:—

(a) A greater confidence in the Canadian dollar than the U. S. dollar—at least until the U. S. price situation is ironed out.

(b) Inability to get as good a yield on U. S. government bonds. At the Canadian price, Dominion 3's of 1966 yield about 2.60% as against about 2.25% for U. S. Treasury 2½'s 1967-72.

(c) The liability for a tax on capital gains.

Perhaps also deterring U. S. selling in Canada is the continuation of the FECB requirement that holders entitled to withdraw funds ("registered holders") can only do so at the "free" exchange rate. This rate fluctuated widely on Monday ending in New York about a 1½% to 3% discount. Tuesday the rate strengthened, to be quoted about 13/16-15/16% discount and seemed headed for parity. If the free rate reached parity, dealers feel there U. S. dealers and individuals but do not expect much from the institutions—the large holders of Canadian internal bonds.

The present strength in the Canadian bond market following the dollar revaluation, is taken by some observers as another indication that higher bond prices and so lower yields, are still a prospect for Canada. Also pointing this way, they argue, is the closing of the British Tap Loan 2½% of 1964-67, which only went on sale the middle of May, on July 9. Indications were that the next loan might be for a less favorable term or rate. With both U. S. and U. K. government bonds selling at lower rates than Canadian, they feel there is little fear at present of a drop in Canadian bond prices.

• • •

See U. S. — Pay Bonds Likely to be Refunded

One immediate result of Canadian dollar parity with the U. S. dollar will be the refunding of many Canadian bonds with a U. S. payment feature, financial circles expect. Particularly mentioned as possible in this connection are Consolidated Paper 5½%, of 1961, Gypsum Lime & Alabastine 5½% of 1948, London Canadian Investment Corp. 4½% of 1948, Montreal Tramways 5% of 1951 and Power Corp. of Canada 4½% of 1959. Negotiations on City of Montreal bond refunding will be changed.

Many Canadian municipalities, some corporations and all Canadian provinces, except P.E.I., have bonds with a U. S. payment feature outstanding and will save 10% on both service and capital repayment charges. Refunding of non-callable bonds upon maturity with a Canadian pay issue, will also be possible.

Manitoba with $3,844,000 of 6% bonds due Oct. 1, 1946 and Saskatchewan with $5 million of 5½% bonds due Nov. 15, 1946, both payable in U. S. funds, will be the first provinces to benefit materially. The change in rate may entirely change refinancing plans of these provinces.

Immediate effect of the change in exchange rate was a sharp reduction (about 10%) in the quoted Canadian dollar price of bonds, with a U. S. payment feature, to bring them in line with the U. S. prices upon which the Canadian prices depended.

• • • •

Street rumors say that directors of **United Steel Corp.** may take some action on a common dividend soon.

TO THE HOLDERS OF THE
5% First Mortgage 30 Year Gold Bonds of
The Mexican Northern Power Company, Limited

Pursuant to an order of the Supreme Court of Ontario, Canada dated the 29th of May, 1930 approving a Plan and Agreement for the Protection of the Bondholders of the above Company, a new company was organized for the acquisition of all the property and assets of said The Mexican Northern Power Company, Limited, for the benefit of the prior lien and first mortgage bondholders.

The new company was organized in Ontario, Canada, under the name of The Northern Mexico Power and Development Company, Ltd. and has proceeded, in accordance with the provisions of the aforesaid Court order, to issue one share of its $100 Par Value Common stock in exchange for each $100 principal amount of 5% First Mortgage 30 Year Gold Bonds of The Mexican Northern Power Company, Limited.

The following described 5% First Mortgage 30 Year Gold Bonds of The Mexican Northern Power Company, Ltd. are still outstanding and the holders thereof are urged to surrender such bonds for exchange.

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10456
10748
11044
11717
11718
11740
11889
11890
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12384
12467
12469
13029
13030
13031
13032
13033
13632
13740
14667
14668
14783
14944
14945
14946
14947
14948
15000

Coupon Bonds of $500. Each

920
921
923
1224
1225
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1227
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Coupon Bonds of $100. Each

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North Battleford Plans Its Future Development

Town of North Battleford, Sask., joins the growing parade of Canadian communities under 5,000 population preparing for growth by setting out to guide it. This week it retained Dr. E. G. Faludi, of Town Planning Consultants Ltd., Toronto, to prepare a 30-year master plan of community development.

All of these Bonds having been sold, this advertisement appears as a matter of record only.

New Issue

$4,000,000
Brompton Pulp & Paper Company
Limited
(Incorporated under the laws of the Dominion of Canada)
3½% FIRST MORTGAGE BONDS
Series "B"

To be dated July 2, 1946 To mature July 2, 1966

Trustee: Crown Trust and Guarantee Company

In the opinion of Counsel, these bonds will be investments in which, pursuant to The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, companies registered under said Act may invest their funds.

We offer, as Principals, the 3½% First Mortgage Bonds, Series "B", subject to prior sale and allotment, if, as and when the Bonds have been issued and received by us and subject to the approval of Counsel.

PRICE: 100 and Accrued Interest, to Yield 3.50%

It is expected that Trustees' Interim Certificates will be ready for delivery on or about July 10th, 1946.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

NESBITT, THOMSON & COMPANY
LIMITED
38 King Street West, Toronto

320A

Western Groc. Plans to Split Capital Stocks

Special meetings of shareholders of Western Grocers Ltd. have been called for Aug. 8, to vote on an arrangement to split outstanding stocks as follows:

(a) Each present 7% participating preferred share, par $100, will be divided into five new $1.40 (7%) preferred shares, par $20, and three new no par issue common shares. outstanding are 11,943 shares.

(b) Each present no par value common share will be divided into four new class "A" shares and three new no par value common shares.

Present preferred shares have one vote a share while the new preferred is nonvoting as long as dividends are not in arrears. Present preferred shares participate with the present common after $8 a share has been paid on the latter in any fiscal year while new preferred is nonparticipating. But both these rights are continued through the receipt of new common shares, President W. P. Riley points out in a letter to shareholders. Both old and new preferred stocks are nonredeemable and carry a 7% dividend rate.

The new class "A" stock is nonredeemable and is entitled to receive $2 a share a year noncumulative (whether or not earned) dividends. Class "A" stock will not vote unless dividends totalling $2 a share are not paid for two successive fiscal years.

Directors intend to commence dividends at $1.50 a share on the class "A" stock, Riley states (equivalent to $6 a present common share as compared with $5 a year paid since 1942).

Provision is made for future development by increasing authorized capital, Mr. Riley states. After approval, authorized capital will consist of:

(a) 175,000 $1.40 preferred shares, 59,715 outstanding.

(b) 150,000 class "A" shares, 67,772 outstanding.

(c) 150,000 common shares, 86,656 outstanding.

Directors unanimously approved the arrangement and recommend its approval. "By this policy it is hoped that the shareholders list will be enlarged with consequent benefit to the goodwill of the company and a wider market provided for the shareholders' holdings of each of the three new classes of stock," President Riley states.

SILVERWOOD DAIRIES LTD. new issue of $2 million 4% general mortgage bonds to be dated July 2, 1946, to mature July 2, 1971, has been sold at par and accrued interest to yield 4% by Harrison & Co. and R. A. Daly Co. Proceeds are to redeem the outstanding $1,450,000 of 6% sinking fund debentures, for additional working capital and for general corporate purposes. The 6% sinking fund debentures due Apr. 1, 1966, have been called for redemption at par plus accrued interest as of July 31, 1946.

Foreign Funds Still "Frozen"

Canada's foreign exchange measure which put the dollar at par with U. S. currency has no effect on regulations covering corporate bank balances of Canadian subsidiaries of U. S. firms, The Financial Post is informed. Ever since imposition of exchange control, the Foreign Exchange Control Board has provided U. S. funds for payment of current liabilities (debts incurred in the normal course of doing business) incurred after Sept. 15, 1939, and for current earnings (as defined).

"Frozen" balances (representing mainly average indebtedness of Canadian subsidiaries to U. S. parent firms) as determined by FECB, could not be transferred although, since late 1944, the board has considered applications for unfreezing some of these balances. If permission were granted, Canadian funds could be withdrawn but had to be converted at the free market exchange rate.

Many U. S. firms have been leaving current earnings with Canadian subsidiaries to avoid the 10% exchange loss. These accumulations may be withdrawn in U. S. funds, but at press time there was no evidence of any rush to do so. There was a feeling that many firms might leave funds in Canada at least until conditions generally are more settled.

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(after completion of the present financing)

	Authorized	To be presently Issued and Outstanding
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Common Shares (No Par Value)	100,000 shares	50,000 shares

Price: $25 per share

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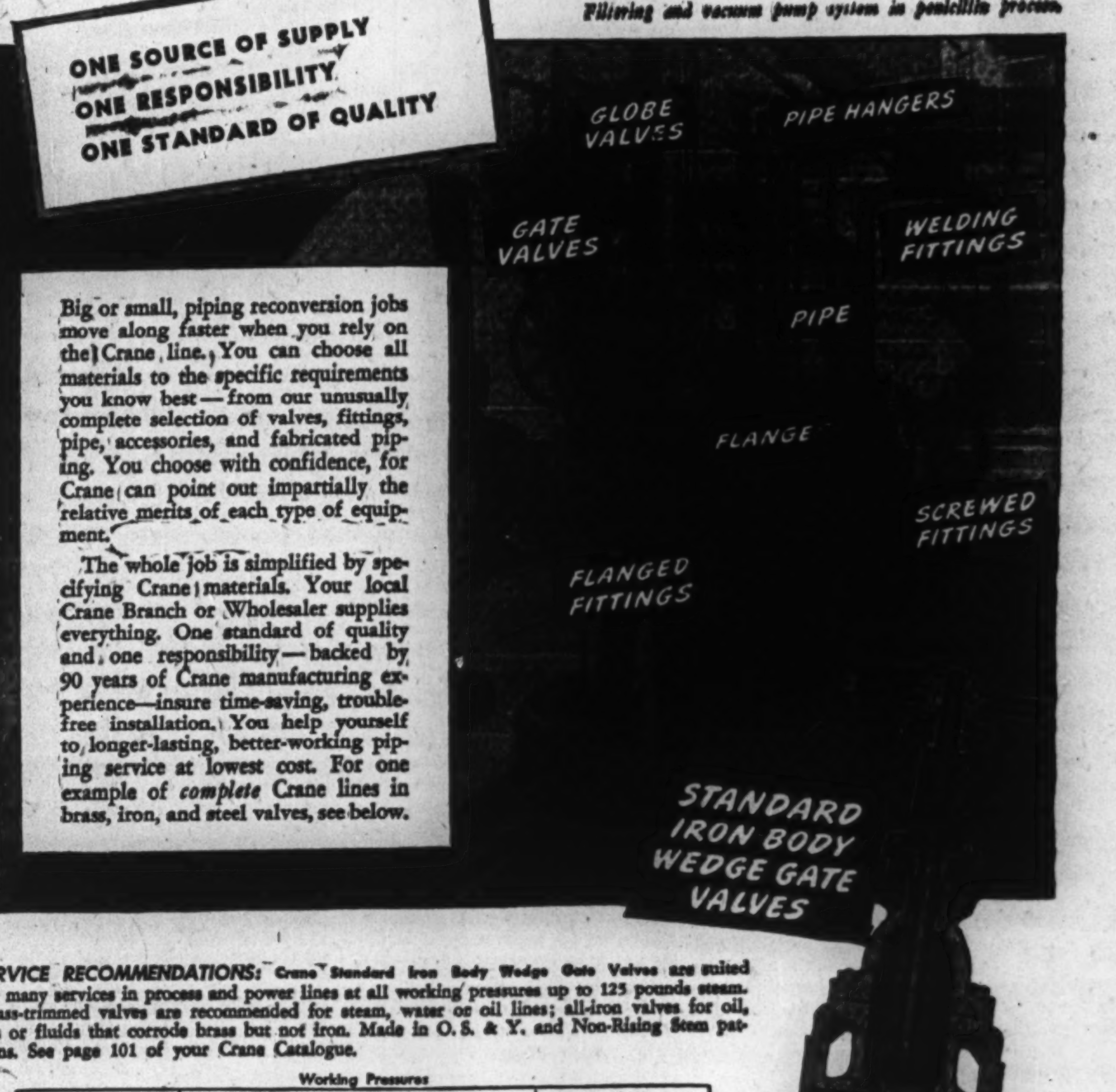

Big or small, piping reconversion jobs move along faster when you rely on the Crane line. You can choose all materials to the specific requirements you know best—from our unusually complete selection of valves, fittings, pipe, accessories, and fabricated piping. You choose with confidence, for Crane can point out impartially the relative merits of each type of equipment.

The whole job is simplified by specifying Crane materials. Your local Crane Branch or Wholesaler supplies everything. One standard of quality and one responsibility—backed by 90 years of Crane manufacturing experience—insure time-saving, trouble-free installation. You help yourself to longer-lasting, better-working piping service at lowest cost. For one example of *complete* Crane lines in brass, iron, and steel valves, see below.

SERVICE RECOMMENDATIONS: Crane Standard Iron Body Wedge Gate Valves are suited for many services in process and power lines at all working pressures up to 125 pounds steam. Brass-trimmed valves are recommended for steam, water or oil lines; all-iron valves for oil, gas or fluids that corrode brass but not iron. Made in O. S. & Y. and Non-Rising Stem patterns. See page 101 of your Crane Catalogue.

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Size of Valves	Screwed or Flanged Valves		Hub End Valves
	Saturated Steam	Cold Water, Oil, or Gas, Non-Shock	Cold Water or Gas Non-Shock
2 to 12 In.	125 pounds	200 pounds	200 pounds
14 and 16 In.	125 pounds	150 pounds	150 pounds
18 to 24 In.	*	150 pounds	150 pounds
30 In.	*	120 pounds	120 pounds

* For steam lines larger than 16-inch, Crane 150-pound Cast Steel Gate Valves are recommended. (For sizes under 2-in., use Crane Clamp Gate Valves.)

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The Editorial Page

Double Taxation Must Go

There is general and keen disappointment that Mr. Ilsley did not take any steps toward removing double taxation on corporation profits in his recent budget. The Finance Minister claims that until some agreement is reached with the provinces, no permanent solution is possible. If this is so, and the disinterested observer must largely agree with Mr. Ilsley, then the sooner the provinces and the Dominion Government get together and find a solution, the better for all concerned.

Mr. Ilsley frankly admits that the present situation is not only unfair, but actually discourages business expansion and the vitally needed new jobs that such expansion would create. That is only too true.

There is little incentive for a man to put his money into a corporation when he knows that the profits of that corporation are to be taxed twice, first in the hands of the company and again when what remains is handed to him for his personal income. At the same time it is obvious that the heavily-taxed, privately owned corporation cannot possibly compete on even terms with the untaxed, commercial ventures of co-operatives or governments.

In the budget, Mr. Ilsley attempts to correct this situation so far as co-operatives are concerned. But he does not appear hopeful. After unfolding his plan, here is his conclusion:

> "I am not sanguine enough to believe that these proposals will meet with complete approval, either in this House or outside its walls. Some will continue to urge complete tax exemption for co-operatives or an even more liberal attitude than has been proposed with respect to patronage dividends. Others will contend that we are going too far in allowing patronage dividends as a deduction from taxable income under any circumstances. As long as it is necessary to retain a tax on corporate profits, it will be impossible completely to reconcile the conflicting points of view. In the meantime, the best that can be hoped for is a reasonable working arrangement which preserves substantial equity between competing forms of enterprise and safeguards the essential interests of the treasury."

From the very beginning corporation income taxes have been unfair, because of the loopholes mentioned and also due to the fact the burden did not bear evenly on all subject to it. So long as taxes were low, however, private business could absorb some extra load but it cannot do so and function efficiently, under the enormously increased tax rates of today.

In clearing the way for enterprise to do its full postwar job, elimination of discrimination and duplication in taxation is a government must. Every day that elimination is delayed is a day lost in national recovery.

Still a Bargain Land

Return of the Canadian dollar to parity with its U. S. cousin means that Mr. Smith from Washington will no longer be 10% richer when he tours north for a Canadian vacation. But it certainly doesn't mean that Uncle Sam's nieces and nephews will stop finding bargain vacations here. The U. S. dollar, even at par, can buy a bigger holiday in Canada than it can at home.

Even before OPA toppled last week, it had, since 1943, been lifted so far as rent control in resort areas was concerned. Prices at American play spots this year have gone notably haywire. Hotel rooms, normally renting at $3 to $5 have been reported up to $17 and $20 a day; a seashore apartment that could be had for $250 the season last year, today has its tenant for a cool $1,300; swimming pools and other routine privileges have suddenly become high-priced extras on the resort bill. All this, before the general removal of U. S. price control. Where the top may be is anybody's guess.

But in Canada rentals control remains in resort areas as elsewhere, assuring vacationists that a dollar's worth of currency still will buy a dollar's worth of accommodation. So any first-report fear on the part of Canadian tourist businessmen that parity might inhibit travel to Canada is more than offset by a sober second glance.

Canada is still a tourist's bargain land, and Americans, faced with rising prices on every side, know it.

Do They Want Their Jobs?

In calling a strike at all British Columbia gold and base producers (except Consolidated Smelters), the C.I.O. International Union of Mine, Mill & Smelter Workers, undoubtedly calculated that it was hitting the weakest link to force its eight-point program on the mining industry. Actually this strategy only reveals the unsoundness of the demands.

B. C. mining—outside of the unaffected Consolidated Smelters—has been experiencing its most difficult period since the depression of 15 years ago. Approximately half the mines, for which 1945 figures have been published, showed a loss last year. If Bralorne (which is faced with a 50% wage cost increase) is ignored, total losses for mines affected exceed the profits. Pioneer lost a quarter million dollars, the big copper producer, Granby Consolidated, almost $200,000, and Cariboo Gold Quartz over $175,000. Silbak-Premier lost $29,947. Island Mountain and Sheep Creek, for which figures are also available, had profits of under $75,000.

Western Canada and United States mining had a disastrous experience after the first Great War when the "One Big Union" tried to press impossible wage demands. Several mines closed then have never reopened. Leaders of the International Union of Mine, Mill & Smelter Workers should check over that history, if they have any concern whatever for their members' jobs. They must realize that wage increases must come out of mine profits and the fact is, in this case, the profits just weren't there, even when the industry had the benefit of a 10% premium on American exchange.

Senate Tax Report Ignored?

The boss of Canada's income tax extraction machine, C. Fraser Elliott, seems to have won a round against embattled taxpayers.

The Senate Income Tax Committee report recommended the setting up of an independent seven-man board of tax appeals. Hon. J. L. Ilsley accepts this suggestion "with certain modifications." The budget resolutions provide for:

> "An Income Tax Appeal Board consisting of a chairman and two assistant chairmen having specified legal qualifications and not less than three or more than nine other members appointed by the Governor in Council, as a court of record, to hear, in any part of Canada, appeals from assessments made by the Minister of National Revenue in respect of the 1946 and subsequent taxation years and that an appeal may be taken from a decision of the Appeal Board to the Exchequer Court of Canada.

At first glance this would appear to make it an independent body. But Mr. Ilsley's interpretation seems to mean something else. In announcing the change he states: "The proposed Board will decide questions of fact and law in the same manner as any other Court. It will not, however, have the power to exercise or review the discretions vested in the Minister of National Revenue by the Income War Tax Act. It is proposed to provide for the review of these discretions in a different way."

The budget also provides for setting up another board, described as follows:

> "An Income Tax Advisory Board consisting of a chairman and not less than two nor more than six other members appointed by the Governor in Council to which a taxpayer may require the Minister of National Revenue to refer for hearing, consideration and advice a decision to which the taxpayer objects made by the Minister in the exercise of specified discretionary powers in respect of an assessment for the 1946 and subsequent taxation years."

Note: "to refer for hearing, consideration and advice, a decision to which the taxpayer objects, made by the Minister in the exercise of specified discretionary powers in respect of an assessment for the 1946 and subsequent taxation years."

But the Senate Committee had enunciated as a cardinal principle to the establishment of an appeal board that—"administering officials of the department which levies and collects the taxes, be not accorded any authority relating to the exercise of administrative or ministerial discretion, the levying of assessments, or the imposition of penalties" unless such discretion and levies be subject to "the immediate, effective and conclusive jurisdiction of an independent tribunal."

In setting forth this principle, the Senate Committee found a "direct conflict of opinion" as between the recommendations of C. Fraser Elliott and those of other witnesses and it chose unanimously to accept the suggestions of other witnesses for an appeal tribunal "entirely divorced from and independent of the control of the Income Tax Department."

But Mr. Elliott apparently swings more weight than the peoples' representatives.

The only consolation to income taxpayers is Mr. Ilsley's statement that "instructions are being given to the interdepartmental drafting committee to explore carefully the possibility of reducing the number of discretions now vested in the Minister or at least of providing for their exercise under regulations approved by Governor-in-Council.

As being widely interpreted by tax and legal experts this new "dodge" proposed in the current budget is a far from satisfactory reform of a thoroughly unsound system.

Coming Close to Anarchy

Mr. Justice Manson of the B. C. Supreme Court expressed the concern of thousands of responsible Canadians when he declared that Canada is "coming close to anarchy." He continued, "The law has been taken into private hands. Private highways are blocked, private lands are invaded. The railways are interfered with and the law is not enforced. Laws made by Parliament should be enforced by the state."

More and more Canadians are increasingly appalled at the spectacle of labor leaders being permitted with impunity to drive their followers into organized and large-scale law breaking. Even worse is the fact that in so many cases government laxity results in law-breaking bringing profit and advantage to the law-breakers in the form of greater working benefits.

Mr. Justice Manson added, "The press could be such a power for good. Next to the pulpit the press is, I believe, the greatest power for good, yet it has said nothing or extremely little" (about this increasing anarchy).

Guilty though The Financial Post doubtless is of sins of omission and commission, we don't plead guilty on this particular charge. On the growing lawlessness, to which the B. C. justice referred, The Post has long been vociferous.

To select only a couple of sentences from many recent Post editorials on this point we quote: "It's wrong and intolerable that lawlessness should pay. But in many labor disputes, lawlessness does pay—at least temporarily. Government failure to carry out its first duty, the maintenance of law and public order, is the reason. In effect labor leaders are being encouraged by government laxity to urge their followers into violence and law breaking as a swift and certain way to achieve their aims. This strikes at the very foundation of any society. Disrespect for any law quickly leads to disrespect for all law. . . . Penalty, not profit, should be the consequence of lawbreaking."

When a Government Makes Shoes

It is too bad that Premier Douglas of Saskatchewan didn't wait to see how the Czechoslovakian government fared, before he started his shoe factory in Regina. Taxpayers in Canada's leading wheat province might have been saved some money.

About a year ago the newly restored Czechoslovakian government decided to nationalize the huge and famous Bata shoe plants. Under private ownership and management these had been immensely successful. They aren't now, according to Jan Bata, son of the founder, writing from Brazil. He charges that over 2,000 highly trained employees and technicians have been fired that the authorities have had to borrow money to keep the big factories partially operating and that the price of shoes has risen fourfold—not in terms of any inflated currency but in sacks of wheat.

And at that, the Czech government faced a more likely prospect than does Premier Douglas. The Czechs took over a proven, going concern, fully equipped with modern machinery, fully staffed by experts and located in the centre of a tremendous cheap shoe market. In Saskatchewan, on the other hand, the authorities are breaking new ground, starting from scratch, with power, skilled labor, market and most raw materials all extremely limited.

Stop Me If —

A barrister felt that he had received a "call" to the church, and trained for and subsequently entered the ministry.

In due course he was appointed to a church, and meeting one of his parishoners one day, was questioned about his past experiences. When the minister told him he was once a barrister-at-law, with an income of £3,000 a year, the man asked, "An' what do you get here?"

"Three hundred pounds," was the reply.

"Ay, I thocht so," concluded the other. "Onything rather than work!"

• • •

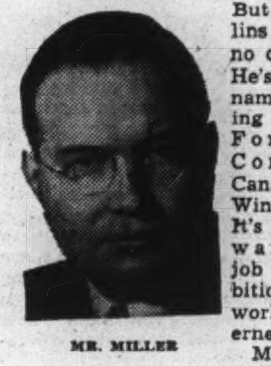
"Pardon me, sir," said the waiter, taking up the money, "but this includes nothing for the waiter."

"I didn't eat one, did I?" said the professor, glancing up from his book.

Post Scripts

He Advertises Ford

Jim Miller strikes you as an ordinary young (37) Canadian businessman. He's of medium height, a little on the heavy side, wears rimless glasses and a serious look. He likes to chew a good cigar, to play a game of bridge, to shoot a strictly amateur round of golf. But James Collins Miller has no ordinary job. He's just been named advertising manager of Ford Motor Company of Canada Ltd. at Windsor, Ont. It's a big forward-looking job for the ambitious, hard-working westerner.


MR. MILLER

Miller moves to Windsor from the Ford desk in Cockfield Brown & Co.'s sky-high Toronto advertising office. He had been on the Ford account just two years; had no previous association with the motor business unless you count an inborn urge to tinker with gears and gadgets from the earliest Model "T" forward. The Ford man smiles when he admits that he's "always been very much a boy when it comes to cars."

It was in Winnipeg in 1936 that Miller left the editorial side of publishing and joined Cockfield Brown as an account executive. He had come over from Stovel Publishing Ltd. and the editorship of four western trade papers, a spot he'd filled since 1929 when he had graduated from the cub reporter stage on the Moose Jaw Times. Miller had done editorial chores on the Moose Jaw paper for three years. Tom Miller, the paper's managing director and staunch supporter of the Liberal party, was Jim's uncle.

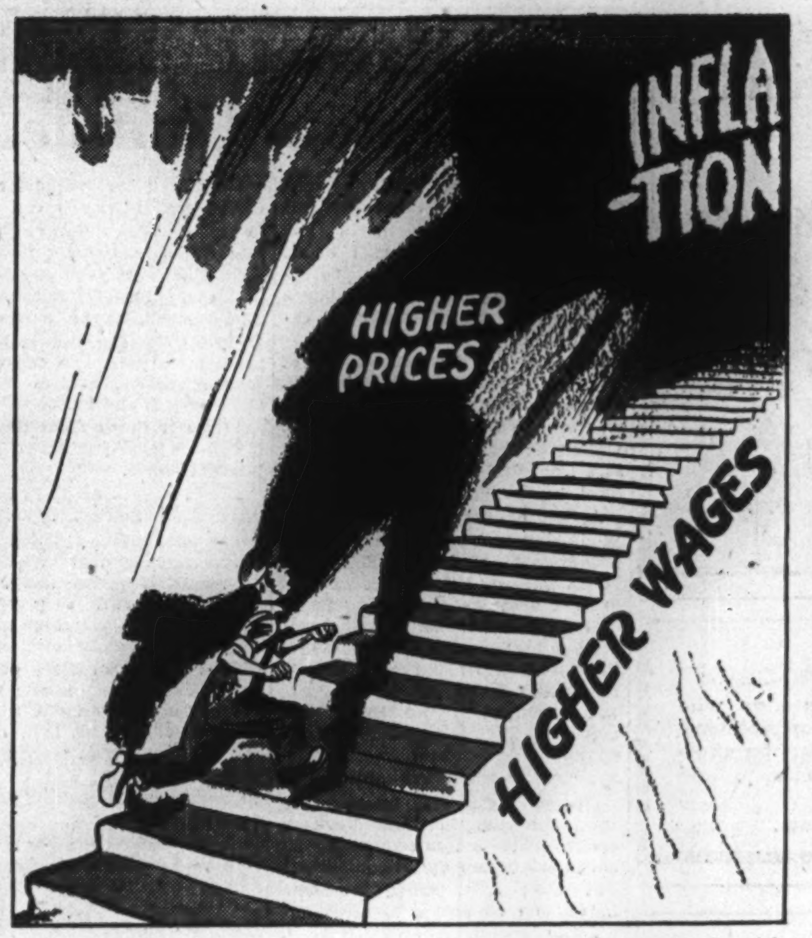
In Winnipeg during the war years, advertising-minded Miller helped put over a couple of standout Victory Loan publicity stunts. With Herb Richardson, then of Brigden's Ltd., and J. S. Lightcap, Lightcap Securities, he drew nation-wide attention with a mock German invasion of Winnipeg on "If" Day, 1942. Another publicity winner was the Dominion's first public demonstration of mass parachute jumping at Assiniboine Park during the 7th Victory Loan campaign. All told, Miller served Manitoba as chairman of the province's National War Finance Committee for two loans, as vice-chairman for four more. This, on top of Red Cross and Community Chest promotion and an active, office-holding part in Winnipeg's Kinsmen Club.

He brought with him from Winnipeg two years ago that western drive: "You've just got to pitch in and do your darndest to get these jobs done."

And, a product of the West, Ford's new man is all for the West: "It's marvellous training ground for business. Out there a young fellow can try his hand at anything. He can find, on a smaller scale, nearly every problem he's ever likely to run up against. I have great faith in Western Canada and in the part it's going to play in the scheme of things."

The exact part of the Prairies that can claim Miller is in Pense, Sask., on the main line of the CPR between Moose Jaw and Regina, in the heart of Canada's best wheatlands. He lived there until his family moved to Moose Jaw when he was 14.

Miller is married, and a father of three daughters—Catherine, Elizabeth and Charlotte, ages eight, four and one.



—Cartoon by Grassick.

Moves to Vancouver

When popular W. E. "Bill" Payne died suddenly, a few months ago, after serving as managing secretary of the Vancouver Board of Trade for more than a quarter century, every one of the organization's more than 2,000 members knew that it would be hard to find a satisfactory successor.

However, in Reg. T. Rose, formerly secretary of the Edmonton Chamber of Commerce, Vancouver businessmen believe they have found a man with just the right experience and personality for the job.

Good-humored, stockily built and a hustler, Rose came to Vancouver with a reputation for organizing ability and a genius for making friends.

Forty-five years old, Rose was born in England, as was his predecessor. He came to Canada with his parents at the age of 11 and spent many years in Calgary, where he went to school, his first teacher incidentally being the late William Aberhart, father of the Social Credit movement.

During the first war Rose served in the navy as a signalman. Following his return to Alberta he entered the advertising business. Then he became interested in Y.M.C.A. work and he was secretary of that organization in Calgary, Lethbridge and Edmonton. For 3½ years he was executive secretary of the Y.M.C.A. in Edmonton, where he gained the organizational experience that fitted him for the post of executive secretary of the Edmonton Chamber of Commerce in 1942. Under his guidance the Edmonton chamber became one of the livest organizations of its type in the west, with a membership of more than 800.

His B. C.-born wife and two daughters, Shelagh and Alison, 14 and 12 respectively, have joined him in Vancouver, where he has hopes of buying a home when such becomes available.

• • •

Bourke of Sun Life

George W. Bourke, F.I.A., F.A.S., has just been elected managing director and a director of the Sun Life Assurance Co., at a time when he himself confesses that he is entering "the dangerous period of life"—according to insurance statistics. Bourke brings into his new appointment a reputation for work and capacity.

Bourke's connection with the Sun Life dates back to 1915 when, as a student at McGill, he joined the actuarial department for the summer months. On his return from overseas in 1919 he resumed his work with the Sun Life as a $100-a-month clerk in the actuarial department. Then he proceeded to work up. In 1924 he was named chief, mathematical department, in 1929 he became assistant actuary, and in 1931 chief actuary. He was appointed general manager in December, 1944. Since that time he has been President Wood's right-hand man.

Bourke likes to play golf but confesses that he plays such a wretched game that he will inflict his golf presence only on his closest friends. In clubs he limits his association to the University Club and to the Royal Montreal Golf Club. Married to the former Beatrice Mitchell of Quebec, the Bourkes have three children, George, age 23, formerly a captain in the artillery and now an engineering student at McGill; Douglas, who will be 21 this year, an ex-pilot officer and also a student at McGill; and David, 15, a high school student.

Slim, youthful and modest, Bourke is a Fellow of the Institute of Actuaries of Great Britain, the Actuarial Society of America, and the American Institute of Actuaries. He also holds the position of vice-president of the Actuarial Society of America, and on two previous occasions was elected a member of the Council. He is a past-president of the Canadian Life Officers Association and, at the present time, is a member of the executive committee of the Canadian Chamber of Commerce and a member of the board of management, Montreal General Hospital.

Bourke was born in October, 1896, at Westport, Ontario, a little four-cornered village some 50 miles from Brockville. In 1911 he moved to Montreal where he has resided ever since. His early education was obtained at the old Montreal High School from where he went to McGill, graduating in the class of 1917 with first-class honors in mathematics and physics and the Ann Molson Gold Medal. In the first Great War he enlisted with the Canadian Garrison Artillery, won the Military Medal and was seriously wounded.

Canada Needs Aviation Policy

Mail, Passengers and Express Essential To All Air Lines For Economic Operation

W. B. Burchall, executive secretary, Air Industries & Transport Association of Canada, delivered an address on "Recent Developments in Domestic Air Transport" before the transport session of the Canadian Manufacturers' Association general meeting in Toronto. Extracts from Mr. Burchall's paper follow:

A definite aviation policy is essential if all the air services of this Dominion are to be developed. To be economically successful air lines must be assured of all the revenue from mail, passengers and express in the area which they serve. The alternative is financial assistance in the form of a direct subsidy and direct subsidies are undesirable. Assistance through the granting of an air mail contract possesses the advantage that the contract can be for a given period to be subsequently cancelled or revised.

At present the granting of air mail contracts and the fixing of the rate of payment for carriage of air mail are the prerogatives of the Post Office Dept. and the rate set bears no direct relation to the economics of the situation. The Post Office too may decline to utilize a projected air service for passengers and goods. It is obvious that with such division of authority the best interests of air transport cannot be served.

Air mail is the nucleus around which the giant air transport system of the United States has grown and expanded to its present proportions.

In Canada the Air Transport Board, which was set up to ensure as far as possible the orderly development of civil air transport on a sound economic basis, while having the power to grant transport licenses on a basis of public convenience and necessity, has no voice with regard to the establishment of air mail services even though an air mail contract may mean the difference between a profitable and a losing operation. As can easily be understood, this anomalous situation can act only as a deterrent to the efficient development of civil air transport.

The importance of air mail in the transport picture may be gauged by the fact that in the case of the government owned air line 43% of the total revenue was derived from air mail. If the benefits of air service are to be extended to the scores of cities and towns of this Dominion this objective can be most expeditiously attained by providing the Air Transport Board with power to grant licenses for the carriage of mail, passengers and express, such licenses to be granted after full investigation of the potentialities of the suggested route or routes and at fair and reasonable rates of compensation to be determined by the Board.

There has been increasing talk of the carriage of all first class mail by air where substantial time saving can be effected or where there are definite advantages to be gained. On the other hand well informed persons say that while this is not an immediate likelihood it is by no means an impossibility in the future.

The main reason why feeder lines whereby intercity passenger travel and air mail would be expedited, have failed to materialize is that air mail, instead of being looked on and treated as an essential part of our public service and an integral factor in our overall program of civil aviation development, has today become detached from the major scheme and now serves the particular interests of one government department.

The concept of civil aviation as an entity under a single authority charged with the fostering of air commerce as a whole has never been attained in Canada. Air transport should be primarily the means to an end in a broad program of national industrial expansion and development. This it can never become if air mail is segregated from the whole and remains simply a convenient tool made to serve the particular interest of one government department.

Some 70% of the area of Canada is without rail, road or year-round water service. Through this vast area the airplane provides the only speedy, comfortable and reliable transport. Conditions would therefore, appear to be conducive to the establishment of traffic on a sound economic basis.

However, most of the companies operating in this territory have operated on a relatively small number of planes and on relatively infrequent schedules, factors which make for inefficiency and higher costs.

It is safe to say that never in the history of air transport in Canada has there yet been an optimum utilization of capital investment, labor and management. At all times the operators have had unused resources of labor and aircraft, although in the case of the government-owned air line it has been stated that traffic has been limited by availability of equipment during the later war years. A general idea of the average daily utilization of aircraft in Canada can be obtained from the report of the Economic Division, Air Transport Board, for the months of July to October, 1945, inclusive. During this period Trans-Canada Air Lines flew 22,755 revenue hours with 26 aircraft. Allowing three aircraft for spare, this equals 8.2 hours revenue flying time per aircraft per day.

The record of the nonscheduled operators emphasizes still more the need for greater utilization of aircraft as the average flying time per day for eight operators using 27 aircraft amounted to only about 1½ hours per day.

Recent spectacular developments in power unit design (jets and turbine), also navigational facilities (radar) and their adaptation to civil air transport requirements emphasize that the air transport industry is today entering a new phase of development. There is less evidence of what might be called stable or static technique in operations than in any other form of present day transportation. Some of these inventions will make their greatest contribution to commercial aviation while others will be primarily of military value.

What Others Are Saying

Editorial of the Week

People Needed

Windsor Star

Chief argument of those opposing immigration is found in current employment figures. They point to the fact that the available jobs are not sufficient for those presently out of work. They overlook two important factors.

One is that the figures given are for certain types of employment only. The other is that the situation at the moment is not fairly representative of conditions in Canada. The disturbing and unbalancing effect of labor unrest is being seriously felt.

It is sheer folly to talk of lack of employment while we are desperately short of certain lines of goods. Let all those on strike in Canada and the United States go back to work, and we would soon have business and industry clamoring for workers.

In our primary industries there is certainly no unemployment. Farmers and lumbermen are desperate for help.

In any settled immigration policy, chief stress is sure to be laid on work of this kind. The most desirable settlers are those fitted and willing to go on the land, and they can be had. We can, in fact, have our choice of the best of these from Britain and Northern Europe.

This is not a matter for projection into the remote future. It is an immediate and compelling need. The men are required now.

Other People's Views

THE BUDGET PROVIDES THE OPPOSITION with a chance to prove its worth, declares the **Ottawa Journal.** "That budget, product in large part of reckless non-war commitments, and shaped to meet continuing extravagance, demands vigorous criticism; the Opposition's manner of discharging that duty will be, we imagine, the public's test of its fitness. In war an Opposition is under a disadvantage; even in right criticism it courts the danger of being thought opposed to war measures. There is no such disadvantage in peace, no need for restraint where vigor is called for; and we hope that in coming weeks the Opposition's leadership will bear that in mind. This is no occasion for weasel words, nor for mild admonition. What is called for is slashing attack, marshaling and mobilizing public opposition."

THE MOST DANGEROUS THING about the budget, declares the **Almonte (Ont.) Gazette,** "is the strangling effect the excess profits tax is having on industry and enterprise. Manufacturers are not going to overwork their machinery for the benefit of Mr. King and Mr. Ilsley and their fantastic socialistic schemes. Everywhere we hear people saying they could get more business but what would be the use—they'd take it away through the income tax."

CANAL TOLLS ON THE GREAT LAKES should be paid by foreign ships, believes the **Sherbrooke (Que.) Record.** "The question is entirely separate from the issue of whether domestic shipping should pay tolls. Canadian and United States companies operating vessels on the St. Lawrence and the Great Lakes pay a substantial portion of any profits they may make to the governments in income tax. Their officials and employees pay personal income taxes like other individuals. The purchases by the companies and their workers are subject to sales tax and other levies imposed upon the average citizan. But European vessels operating in these waters escape most if not all this burden, as their purchases as a general rule are severely restricted on this side of the Atlantic."

THE MOST DANGEROUS STRIKE MOTIVE, says **The Family Herald & Weekly Star (Montreal)** "is the desire on the part of a few key individuals, boring from within, to foster rather than to alleviate discontent by strikes. These men do not want strikes to be successful. They want bitterness, poverty, resentment,—and, when the time comes, rebellion. These men want Communism, not happiness. More than that, they want Russian Communism, not Canadian Communism. They are actually and quite literally working,—not for their fellow workers, not for a new Canadian economy, but for their masters and paymasters, the Russian communist imperialists."

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July 13, 1946

The Provincial Roundup

Two Provinces Okay Ilsley Offer See Deathblow to Bloc Populaire

Provincial autonomy's champions claimed a decisive victory in last week's provincial by-election in Compton, Quebec, which gave Maurice Duplessis' Union Nationale party a clear majority of more than 1,600 over a combined Liberal and (ultra-provincial) Bloc Populaire vote. Both major parties had made Dominion versus provincial rights, the main issue in the contest; both had had their answer, in so far as a Quebec constituency, largely rural and French-speaking, could give it.

In Ontario, Premier George A. Drew's Progressive Conservative followers voted to stand pat on the latest development in the controversy ("neither accepting nor rejecting, for the time being," Finance Minister Ilsley's offer of separate provincial tax agreements).

In New Brunswick, Liberal Premier John Babbit McNair declared his government ready to accept the Ilsley offer, although "regretting" that it was confined to fiscal matters, and declaring he would have preferred the federal proposal made last August: "It held many attractions for us; in our view, the public investment proposals, and social security measures, included, were of equal importance witth proposed financial arrangements."

Saskatchewan's CCF Premier Thomas Clement Douglas had already declared himself "delighted" with the budget offer; other provincial government leaders withheld comment.

• • •

British Columbia

After Hart, Who?

The question furrowing Coalition (particularly Liberal) brows was "What if Hart quits?" Rumors spread that the Government leader, now 67, would not contest another election; that he might go to the Senate, or possibly to the Canadian High Commissionership in his native Eire. But choice of a successor to the man who had been 21 years a member of the House, 20 years treasurer, five years Premier, posed a problem.

English-born George Sharratt Pearson, Provincial Secretary and Labor Minister, 18 years in the House, was next in line of succession; but he was only a year younger than Hart. Liberals didn't want Hart to retire; Prog. Conservatives didn't want him to, so long as the Coalition lasted, but admitted that after its dissolution, they would be glad to face another opponent.

After more than five years' war service, the CPR's Princess Kathleen was reported en route home from the Mediterranean. Her sister ship, the Marguerite was torpedoed in 1942; one of 11 Canadian Pacific craft lost through enemy action.

• • •

Alberta

No Coals For Newcastle?

Alberta, Canada's largest coal-producing province, faced an acute fuel shortage, Premier Manning warned, urging all citizens to stock their bins while they could. Dealers said some coal would be available during the "slack" summer months; less as winter neared. Alberta mines were committed to fill heavy industrial orders in eastern Canada.

"Five years overdue," but still welcome, was revaluation of the Canadian dollar, in Premier Manning's opinion. He foresaw a substantial saving to the province in interest payments; said the 10% premium "had consistently worked as an unfavorable tariff against the Canadian consumer."

Under direction of the Canadian army, accommodation buildings and refuelling stations were going up at many points along the Alaska highway—constructed jointly by the Imperial Oil Co. Ltd., which is installing the refuelling stations, the British Yukon Navigation Co., which holds a bus franchise for the highway, and the federal government. Accommodation at present is chiefly for Alaska highway maintenance personnel. Next spring it is hoped to have adequate accommodation for the civilian public.

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Saskatchewan

Liberals Mend Fences

Liberals planned to mend their political fences at a convention in Saskatoon, Aug. 5 and 6 (the first in 15 years). Some openly voiced the view that it was time for a change in leadership; boomed Walter Tucker, M.P. for Rosthern, or E. M. Culliton, as possible successors to W. J. Patterson (who in 1944, carried the Cannington seat by a margin of only six votes, over Mrs. Gladys Strum, CCF). In 1944, Liberals polled a vote of 139,000, against 211,000 for the CCF; but won only five seats against the CCF's 47. Conservatives were an extremely poor third in that election, polling 44,000 and electing no candidates. Their leader, Rupert Ramsay, ran an equally poor third in the Morse by-election two weeks ago.

For 17 months (charged Attorney-general John W. Corman), the Dominion Government had tried to deprive veterans purchasing land under VLA, deprived of the protection provided by Saskatchewan's farm security law.

Dominion Agriculture Minister James G. Gardiner had stated that the Dominion had been trying for 17 months to have mortgages of the Canadian Farm Loan Board excluded from the provincial statute (now slated for a test before the Supreme Court of Canada in September). Corman conceded that Gardiner's statement "in effect" was correct, but insisted it only painted part of the picture.

Minimum wages were slated to rise 12%, effective July 22 (farm labor and domestic help excluded). Urban workers were to get a minimum of $18.50 weekly; those in smaller centres, $16. Part-time workers in cities must be paid 50 cents an hour and $1.50 for each time called, even if the work takes less than three hours; in towns, 40 cents an hour and $1.20 for each time called. Time and one-half for overtime was provided instead of straight time for all employees except those earning $35 or more in cities and towns, and $30 in small towns. The 48-hour week remained unchanged.

Federated Co-operatives, Ltd., had total sales of $6,650,432 in the fiscal year ended October, 1945, it was disclosed at the annual convention. Assets now exceed $2,500,000. Net earnings were $300,000, and patronage dividends were 6-6½%, totalling $239,416. The federated co-operatives supply more than 400 member consumer co-operatives with general merchandise. They also operate a refinery at Regina, coal mines in Alberta, and have a part interest in a B. C. shingle mill.

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Manitoba

Gimli Grows Up

Gimli, formerly "Little Iceland," first Icelandic settlement in the Canadian West, and still the largest, was growing up. Now 76 years of age, the village lying on the West shore of Lake Winnipeg, was slated for elevation to the status of a town this year (32nd municipality of that calibre in the province).

An old Indian tradition says of Lake Winnipeg whitefish, "When they come, they come; and when they go, they're gone." This year they were definitely gone. Whether they were definitely scarcer, or merely cagier, experts confessed they didn't know; but 1946 was proving one of the poorest whitefish years in the province's history. In the first six weeks of the two-month season, most operators hadn't averaged a living wage. There was practically no prospect of the limit of three million pounds being reached by the Aug. 1 deadline. Last year, the take was 400,000 pounds below the limit. Poorest year on record, in the mid '30's, yielded only 675,000 pounds.

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Ontario

Exit Police Force

Picturesque Barrie, nestling on shore of Lake Simcoe, this month wrote "finis" to its municipal police force, placing itself fully under the jurisdiction of Provincial Police. A squad of 10 provincials, including four former members of the town force, took over the task of law enforcement; the town agreed to pay at the rate of $1,750 a year per officer, plus six cents a mile for operation of a police cruiser with two-way radio. Barrie (normal population approximately 10,000) was the largest town yet to take this step, under permissive legislation enacted in 1944.

Progressive Conservatives called for an education campaign by the provincial Labor Department, to enlighten the public on the "many" cases in which the Department reported having been instrumental in settling labor disputes; said the province at large is "not sufficiently informed about the situation."

But bartenders and other hotel employees, in convention at Niagara Falls, did not agree; accused Provincial Labor Minister Charles Daley of "steering clear" of major labor disputes. Also, they called for longer working hours; demanded beer sale in beverage rooms from 10 a.m. to midnight (present curfew hour is 10.30 p.m., but most hotels are sold out by 6.30).

Ontario Command of the Army & Navy Veterans of Canada, in convention at Kitchener, asked: Minimum allowances of $80 a month for a veteran and his wife; abolition of "the parasitical Canadian Senate;" severance of all relations with the Franco government in Spain; a program of public rent subsidized homes, after the pattern of Great Britain, the United States and Australia.

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Quebec

Bloc Not so Populaire

It looked like curtains for the war-born Bloc Populaire. In Compton, 70% French-speaking, the Bloc's candidate polled a sparse 600-odd votes, barely 10% of that for the Union Nationale Government candidate; not 20% that of the Liberal runner-up. Many observers predicted that the isolationist Bloc was not only on the way out, but that it was already down for the count of 10.

The outcome appeared a decisive victory for Duplessis, whose candidate C. D. French, more than reversed a 1,700 majority won by a Liberal in the 1944 provincial election. Duplessis' was the third provincial administration to win a by-election within 10 days; but the others (British Columbia and Saskatchewan) merely held their own; UN had now gained two since 1944, one from Liberals, one from BP. The outcome left UN with 50 seats in the 91-member assembly; Liberals 36; BP 3; independents 2.

The Duplessis administration not only protested redistribution without provincial assent, but invoked the Lieutenant-Governor, Sir Eugene Marie Joseph Fiset, to witness and endorse its protest, by couching it in the form of an order-in-council. Duplessis said Sir Lomer Gouin's Liberal administration had set a precedent in 1917; for such action; insisted unilateral federal action "dangerously encroaches on provincial autonomy, and on the safeguard of the rights and essential traditions of Quebec in particular." (The federal bill would wipe out Quebec's 65 seats in the House of Commons, as a yardstick for determining representation of other provinces).

Royal Canadian Mounted Police were investigating "suggestions of irregularities" in connection with a VLA housing project at Boucherville, east of Montreal. One report (unconfirmed at Ottawa) said veterans had been charged $4,000 more than the $7,000 ceiling set by DVA for newly-constructed homes. Ottawa confirmed that payments to contractors had been halted "when costs appeared to be out of all proportion to those elsewhere."

Praise from Camillien Houde, for Ontario, was praise indeed. Montreal's diminutive mayor spoke reluctantly, but candidly: "Although it is not a good thing to admit, I must say in all fairness, that drivers in Toronto are more courteous than those in Montreal." He also advocated (to the Quebec Safety League) compulsory accident insurance for all motorists. (In Toronto, W. Gilbert Robertson of the Ontario Motor League, played Alphonse to Houde's Gaston: "If Mayor Houde had been talking about the accident rate, he would have been quite right in complimenting Toronto; but he was wrong, as far as courtesy is concerned").

• • •

Nova Scotia

Shipbuilding Survives

Postwar shipbuilding appeared standing up well, on the basis of figures for the first half of 1946. A 90-foot boat for customs patrol work out of Halifax was launched recently at Lunenburg, and a former fisheries patrol boat was refitted at Dartmouth shipyards as a trawler. Several smaller craft acquired from War Assets had been made over for freighting and fishing purposes.

Lunenburg plants are now working on a 160-foot freighter for a Yarmouth operator and a 98-foot dragger for south shore fishing service, with contracts in hand for another freighter and more fishing boats. Clare shipbuilding yards in Digby County are busy on a number of small craft. At Port Greville, on Minas Channel, some boats have been built for freighting and fishery service on the Bay of Fundy.

Juvenile court judges of Canada and Newfoundland organized a council "to serve as a clearing house for ideas in connection with juvenile courts;" named Judge J. Elliott Hudson, Halifax, as first president of the body. Judge L. M. Pepperdene, Saint John, secretary-treasurer; Judges H. L. Pottle, St. John's, Nfld, F. A. E. Hamilton, Winnipeg, Alan Fraser, Ottawa and Douglas Sutherland, Sydney, executive members.

• • •

Prince Edward Is.

Really Insular

Soon to have the best and most modern car ferry in the world, the Island was, this week, practically without communication with the mainland. The present car ferry had been in a Halifax dry-dock for regular repairs for over a month, and the scow Scotia, used by the CNR for replacement, did not run when the wind was strong. Last week hundreds of tourists attracted to the Island by its intensive publicity campaign, were able to view its charms from the other shore only; and a reported 200 freight cars of badly needed supplies of merchandise, coal, etc., were lying at the mainland terminal.

During the same period Maritime Central Airways' planes were grounded by strong winds, and Northumberland Ferries' only available boat was taxed far beyond capacity. Its second boat, understood almost ready for service, was said to be held up because of a complaint by the CNR that the privately operated company was not charging proper freight rates on loaded trucks.

The Island welcomed as another step toward postwar normalcy, announcement that a French Consulate would reopen in Charlottetown in October, after six years' nonexistence.

The province's air-freight service expanded last week. Planes flying live lobsters by air to Boston and New York (The Financial Post, May 11) experimented with return loads of fresh fruit and vegetables, principally tomatoes, celery, and grapefruit. At least four companies were engaged in the air-freight business out of the Island, two local groups and two American.

BUSINESS THIS WEEK

THE FINANCIAL POST	JUNE	MAY	APR.	MAR.	Year Ago
•PRODUCTION INDEX (1)	....	190.1	189.6	189.0	233.3
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	265.7	156.2	....	285.4
Dom. total expend.	....	243.1	122.3	....	492.2
MERCHANDISING					
•Dept. store sales index no. (1)	....	208.7	213.4	222.2	162.8
Retail sales index no.	....	....	211.9	210.2	174.6
•Wholesale sales index no.	....	260.1	238.1	234.0	205.9
•Country store (% change pr. yr.)	....	+17.2	....	....	....
FINANCE					
Dividend payment index (5)	....	....	144.2	142.7	140.0
•Bank debits (1)	....	....	222.1	224.6	186.7
•Bank deposits index (1)	....	253.1	248.1	250.2	223.6
•Money supply (millions $)	....	....	7,190	7,084	6,331
NEWSPRINT CAPACITY					
Production ratio	....	....	....	92.8	70.2
Shipment ratio	....	....	....	89.0	71.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	....	184.4	187.9	198.5	214.2
Cars (D.B.S.) index	....	146.4	143.9	150.1	158.9
COST OF LIVING					
•D.B.S. index	123.6	122.0	120.8	120.1	119.6
EMPLOYMENT INDEX, D.B.S.					
•All industries	....	169.2	168.9	167.0	178.5
•Manufacturing	....	186.1	184.9	182.6	210.6
•Payrolls (June 1/41=100) (2)	....	138.0	139.5	137.3	144.8

RAILWAYS—(000's omitted)	1946	1945	Jan. 1 to date 1946	Jan. 1 to date 1945	Change %
•Carloadings (week June 29)	70.1	72.2	1,732	1,771	—2.7
•C.P.R. gross rev. (June 30)	7,538	9,242	139,451	154,875	—10.0
C.N.R. gross rev. (May)	30,784	37,617	154,554	174,212	—10.1
C.N.R. net rev. (May)	3,388	7,598	15,150	30,050	—49.6
C.P.R. gross revenue (May)	22,589	26,622	116,298	126,655	—8.8
C.P.R. net revenue (May)	1,048	3,537	6,528	12,567	—48.1
IRON AND STEEL (000's omitted) (Apr.)					
Pig iron production (tons)	142.2	156.1	587.0	627.3	—6.4
Steel production (tons)	247.5	274.2	975.2	1,070.9	—8.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Apr.) $	75,919	34,296	194,005	78,602	+146.8
•Building permits (May) $	45,324	17,960	172,287	61,107	+181.9
Cement prod., bbls. (Mar.) $	603.8	381.7	1,187.7	748.1	+57.8
AGRICULTURE (000's omitted)					
•Flour prod., bbls. (May)	2,344	2,108	22,088	20,729	+6.2
Flour exp., bbls. (May)	1,668	1,402	6,463	5,879	+9.9
Wheat exp., bush. (May)	15,497	29,125	69,421	67,190	+3.3
•Cattle sales (June) (4)	113.6	101.4	711.6	773.3	— 8.0
•Hog sales (June) (4)	290.8	367.5	2,457.9	3,429.8	—28.9
SEA FISHERIES (000's omitted)					
Catch, cwt. (May)	1,216	1,100	2,821	3,352	+15.9
Landed value (May) $	7,881	6,331	14,432	12,943	+11.5
NEWSPRINT (000's omitted)					
•Production (May)	360	264	1,669	1,278	+30.6
Exports, tons (Mar.)	320	267	922	716	+28.8
MINING AND OILS (000's omitted)					
Coal prod., tons (Apr.)	1,638.3	1,504.8	3,454.9	3,195.8	+8.1
•Gold rec. (fine oz.) (May)	223	222	1,083	....	..
Petroleum prod. (brl.) (Mar.)	663.5	779.5	1,954.2	2,440.2	—19.9
ELECTRICAL POWER OUTPUT (000,000's omitietd) (May)					
•Total monthly kw.h.	3,616	3,593	17,271	17,261	+0.1
FOREIGN TRADE (millions of $)					
•Imports (May)	164.2	143.8	722.2	652.2	+10.7
Exports (May)	197.0	315.2	896.1	1,395.6	—34.9
FINANCE (millions of $)					
•Bank debits (May)	6,116	6,894	28,896	26,582	+8.8
Bond sales (June)	236.9	148.6	2,676.6	3,610.8	—25.9
Life insurance sales (May)	104.7	62.2	480.4	314.4	—34.6
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (April)	3.9	3.3	14.8	12.6	+17.4
•Cotton consump., lb. (May)	14.6	13.5	72.0	70.3	+2.4
•Cigarette cons. (no.) (May)	1,158	1,199	5,770	5,702	+1.2

(1) Base period 1935-39=100.
(2) All industries.
•New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Construction Awards Decline As Supply Shortage Widens

A decline in the volume of residential and industrial construction contract awards in June is reported in the regular monthly summary of construction activity issued by MacLean Building Reports Ltd.

Residential awards totalled $22.6 millions as against $32.1 millions in June, 1945; industrial awards, at $9.2 millions were down $2.7 millions. The MacLean figures indicate that 20,535 dwellings and 149 apartment blocks have been started this year up to the end of June.

It is probable, says the summary, that the month's declines reflect shortages of materials and labor in view of the tremendous volume of work started in the first half of the year. Informed sources in the construction field estimated the capacity of the industry at about $650 millions a year in the early postwar period. With 1946 awards (all categories) already at $342.6 millions, "it is apparent that the industry is now operating at close to capacity."

Engineering construction awards in June (including roads and bridges) were up $15.4 millions at $19.2 millions, while commercial and institutional construction jumped $4.2 millions over June, 1945.

Total for all categories for the month showed a contra-seasonal decline—$66.4 millions against $82.1 millions in May. But it was well above the figure for June, 1945, $58.8 millions.

Breakdown of awards of the first six months of 1946 gives residential $111.5 millions, commercial and institutional $94.1 millions, industrial $81.4 millions and engineering $55.4 millions.

Sharp increase in engineering awards in June reflects awards made by the Ontario Dept. of Highways at over $5 millions. Other large awards included a $3 millions bridge, St. Maurice River, for Quebec Government, $4.3 millions work on B. C. Electric Railway Co.'s Bridge River development, $2.5 millions for road construction in New Brunswick and $1.5 million extension to sulphide mill of Restigouche Co., Campbellton, N.B.

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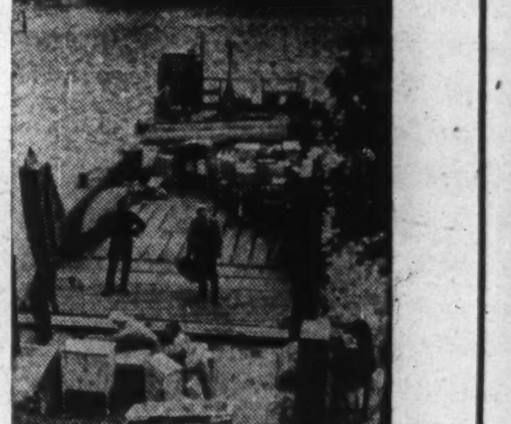

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Crop Outlook Better Through West May Seek Boost in Export Ceiling

From Our Own Correspondent

WINNIPEG—Crop prospects for the whole of western Canada have continued to improve since July 1. That is contrary to usual experience; outlook for the crop is usually considered best at the end of June and deterioration often sets in early in July, with hot and drying weather.

This year, however, rainfall in early July has tended to offset damage done by dry weather earlier in the season. Practically all of Alberta now regards the outlook as from good to excellent, the chief exception being the Peace River country, where rainfall has been comparatively less than in other areas.

Over most of Saskatchewan, the outlook is satisfactory; and, in some parts of the province, excellent. The most unfavorable conditions are in the southwest corner where rainfall has not been sufficient to overcome the setbacks of the early season, and hopes of many farmers are now limited to producing seed and feed with very little crop for sale.

In Manitoba, the outlook is somewhat better than average, although uneven germination in the spring and some setbacks from dry weather have prevented the crop from profiting fully. On the whole, the Manitoba crop is further advanced than that in the other provinces where, on the whole, it is slightly more backward than usual, but not dangerously so. A certain limited acreage, which was seeded very late, will require unusually favorable conditions to reach maturity.

Exchange Not a Factor

The change in exchange rates announced last week end would, under other circumstances, have been of great concern to agriculture generally because, normally, prices for export agricultural products are established in terms of other currencies, most importantly in terms of sterling. The farmers have not yet forgotten the disastrous consequences in 1931 when Britain went off the gold standard and sterling depreciated in terms of the Canadian dollar.

Now, however, prices of products shipped overseas have for a long time been established in terms of the Canadian dollar. The fact that the exchange rate for sterling has now gone down does not mean that the western farmer will get less for his wheat and livestock products; but it does mean that Britain and other countries, paying the same price as before in Canadian currency, will now find their imports proportionately more expensive.

This fact is related to recent controversies as to whether the export ceiling on Canadian wheat should be advanced from the present level of $1.55, and also has a bearing on recent discussions of a possible contract with Great Britain. In terms of sterling, wheat sent to Great Britain will now cost that country 10% more, although in terms of dollars, so long as the price ceiling is retained, the cost will be unchanged.

So long as payment is made out of the proceeds of the recent Canadian loan, which was made in dollars, there is no change in the situation, although servicing and repaying the loan may now appear to Britain to be somewhat onerous. Similar conditions apply to exports of grain to countries of continental Europe and also apply to dairy and livestock products. The export market for these is almost entirely in Great Britain and, by a series of agreements, prices have been established in terms of Canadian funds.

Equalization Fees Down

An entirely different situation presents itself with respect to grain exports to the United States. As long as the Canadian dollar was at a discount in terms of American funds, that fact reflected itself in higher Canadian prices for such oats and barley as were exported south of the international boundary.

There is not a free market in Canada for such grains as a ceiling of 51½c. basis lakehead terminals applies to all oats sold. The corresponding ceiling for barley is 64¾c. with an additional 5c. per bushel premium for malting barley. To equalize these prices with current U. S. market prices, an equalization fee is charged by the Canadian Wheat Board for permits to export.

Recently, so great has been the disparity in prices north and south of the border, that equalization fees have amounted to more than the ceiling prices, which meant that U. S. prices were practically double those prevailing in Canada. The changed exchange situation meant that equalization fees had to be reduced if there was any chance of business being done. The fee on oats was dropped 10c. a bushel to 45c. and on barley 5c. a bushel to 60c. The latter figure, however, is merely nominal as, to provide a practical embargo on the export of barley, the Wheat Board has not recently been issuing permits.

On oats only, a limited number of permits have been issued and these have been mainly to cover rolled oats shipped overseas. In essence, the price for oats exported overseas has been established on the basis of the current Chicago quotation for oats. It is believed, that with the advent of a new crop, considerable quantities of both oats and barley may be available for export.

Less For Exporters

Alteration of exchange rates will mean a lower realization in Canadian funds for oats and barley exported and, consequently, a lower return to producers of these grains. Producers are given an advance on account of equalization fees when they deliver their grain and, at the close of the season, share uniformly in any surplus that may remain in the equalization fee fund account after taking care of the initial advance.

Producers of oats and barley are not likely to voice complaints on account of this development. They have already become accustomed to the fact that the returns for their grain are limited by restrictions placed on export in order to conserve oats and barley for feeding in Canada. If and when they protest against the price situation in those grains, their efforts will rather be devoted to having the export limitations removed so they can get the full benefit of the American market.

So far as overseas customers are concerned—and some considerable quantities of oats are exported—there is a curious contrast between conditions applying to wheat and oats. Wheat will cost the overseas buyer more in his own currency, although just the same as before in Canadian currency. He will get his oats more cheaply, however, in Canadian currency, as a result of the new development, although the cost to him in his own currency will remain unchanged.

Saskatchewan Crop Promising

From Our Own Correspondent

REGINA — Saskatchewan businessmen and farmers look ahead to the 1946 grain harvest with optimism. Widespread rains in June and early July, following a seriously dry spring are virtually assuring this big grain-producing province of an average or better-than average crop this year.

First week in July the wheat crop conditions figure is 132, as compared with 129 the previous week, and 120 at the same time in 1945.

In terms of dollars, this means good business for Saskatchewan business; and for farmers, it will mean excellent returns. That means they will be out to buy in greater volume than even in the past two farm prosperous years.

A good crop in Saskatchewan also means much for the export wheat situation. Threats to production of course are by no means over, with six weeks still to go before harvest. But so good have been the moisture supplies that the province feels justified in its optimism.

Better Barley Is Contest Aim

From Our Own Correspondent

WINNIPEG—The National Barley contest sponsored by brewing and malting interests of the country, has 1,244 entries in its western division. (Manitoba, Saskatchewan, Alberta and the Peace River District of British Columbia). Manitoba led with 511 entries. Saskatchewan had 344, Alberta 389.

The contest was devised to encourage production of quality barley and to replace inferior and mixed varieties with pure varieties of approved types. During latter years of the war, with greater demand for wheat and other crops, Canadian barley production dropped from 259,156,000 bushels in 1942 to 161,135,000 bushels in 1945. The supply was enough to feed livestock and at the same time to provide supplies for the domestic and export malting trade. Because it was in short supply, all grades sold at ceiling price and there was no financial inducement to maintain quality.

Percentage of barley grading No. 2 C. W. Six-Row declined from 65% in 1936-37 to less than 3% in 1945-46.

A total of $25,000 in prizes is being offered, of which $18,750 is allocated to the western division. Each entrant has to produce a minimum carload of 1,667 bushels to qualify.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 5	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.9	287.9	149.7	123.7	214.4	138.5	425.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan. ...	168.2	252.6	130.9	90.0	183.7	127.8	357.6	149.0	125.7	131.6	146.6	123.5
Feb.	173.9	248.5	132.1	84.8	187.8	130.3	354.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.3	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.6	277.5	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	148.4	125.1
May	205.7	278.3	140.9	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.4
1946: Weekly Figures:												
June 6 ..	207.1	284.7	137.4	74.3	214.4	137.3	412.3	167.6	108.8	133.9	136.6	123.6
June 13 ..	204.2	286.1	141.2	73.1	210.9	138.5	409.4	167.6	110.0	135.5	141.4	124.5
June 20 ..	199.7	277.3	143.7	71.9	206.8	134.6	402.0	166.7	109.7	135.2	136.4	121.7
June 27 ..	197.2	282.0	144.3	73.1	209.2	135.2	417.2	166.0	111.6	135.7	139.2	122.3
July 4 ..	197.9	275.2	142.9	72.8	209.6	135.6	425.0	162.9	113.5	136.3	138.6	122.3

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 8	200.77	107.99	92.03	24.95
July 6	....	....	....	....
July 5	204.37	114.60	97.80	25.67
July 4	205.44	115.13	97.46	25.50
July 3	206.22	116.92	97.90	25.88
July 2	206.35	118.69	98.60	25.87
Month ago ..	205.46	122.22	99.58	27.62
Year ago	151.65	125.03	82.92	29.54
1946 High ...	207.83	147.31	108.20	33.69
1946 Low	178.73	107.99	92.03	24.95

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
July 8 ...	78.2	140.9	120.0	355.17	82.07
July 6 ...	...	....	....	....	....
July 5 ...	79.1	142.6	122.1	364.39	94.35
July 4 ...	79.2	144.3	122.6	367.29	95.50
July 3 ...	79.4	145.2	123.3	370.37	96.17
July 2 ...	78.6	145.6	123.3	373.80	97.42
Month ago	79.7	147.4	124.9	390.68	97.79
Year ago	67.0	102.5	90.7	197.09	96.33
1946 High	83.9	149.4	126.7	410.80	118.56
1946 Low	73.5	126.3	109.4	304.39	82.07

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 8	200.62	65.05	41.61	76.72
July 6	....	....	....	....
July 5	206.72	65.24	41.76	76.84
July 4	....	....	....	....
July 3	207.06	65.37	41.73	76.95
July 2	206.64	65.36	41.94	76.90
Month ago ..	210.68	66.86	43.05	78.54
Year ago ...	166.55	60.52	33.34	64.28
1946 high ...	212.50	68.23	43.74	79.44
1946 low	186.02	60.52	37.97	69.81

Grain Prices

Winnipeg Grain Futures

Week to July 8, 1946

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close July 8
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
3.15	1.49¼	July	3.15	3.05	3.05
2.87	1.50⅞	Oct.	2.87	2.68½	2.68½
2.77⅜	1.51⅛	Dec.	2.77⅜	2.59⅞	2.59⅞

*At ceiling.

Cash Quotations

For Week

	July 8 High	July 8 Low	Prev. Week High	Prev. Week Low
Oats*				
2 C. W. ..	.51½	.51½	.51½	.51½
3 C. W. ..	.51½	.51½	.51½	.51½
Barley*				
1 Feed ...	.64¾	.64¾	.64¾	.64¾
2 Feed ...	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W. ...	3.15	3.05	3.15	3.02

*At ceiling.

To Save World Trade By Move

(Continued from page 1)

ities were freely predicting, before OPA died, that with a bad bill or none, they might be unable to prevent the (American) cost of living from shooting up anywhere from 20% to 40% between now and Christmas. Part of this rise would not affect Canada directly—it would comprise rents, food, prices, etc. For the rest, the abolition of the 10% discount on the Canadian dollar will provide a cushion in which American prices can go through at least the first stages of a balloon ascension without hitting Canada at all.

No Breach of IMF

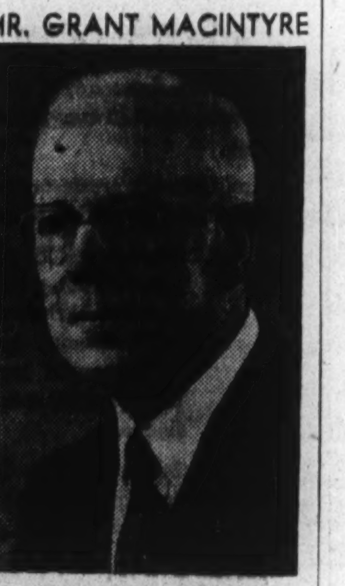
Up to now, we have been able to buy only 90 cents' worth of American goods with a Canadian dollar. Now we can buy a full dollar's worth. Even if the price of every 90-cent article in the United States goes up to $1, Canadian buyers will be no worse off.

Mr. Ilsley, announcing the change, laid heavy stress on the contention that this action is not against the rules of the International Monetary Fund, nor will it limit or exhaust Canada's freedom of action to make other changes later. He said Canada intended to notify the Fund that parity between Canadian and U. S. dollars would be the starting rate for Canadian currency, which means Canada would still retain the right of every member to alter its exchange rates up to 10% without the Fund's approval.

The Finance Minister was confident the Fund would accept parity as our initial rate, because the old 10% discount did not represent the economic situation—quite the reverse. The Canadian dollar slid below the U. S. dollar at a time when Canada was at war and the United States was not; it was based on an assumption, only temporarily correct, that the Canadian dollar's buying power would rapidly diminish.

Actually, the American dollar suffered more than ours, in the ensuing war boom in which both countries were caught up. Since about 1942, the real relationship between the two currencies, in terms of buying power in the home market, has been the precise opposite of that expressed by their artificially maintained rate of exchange.

MR. GRANT MACINTYRE



Mr. Grant Macintyre, Assistant General Manager of The Bank of Nova Scotia, is retiring on pension after forty-three years of service with the Bank, following some nine years of previous banking experience.

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LONDON CALLING — *By Adelphi*

Expect Woolton to Revitalize Tories Socialists on Spot, Take It on Chin

LONDON—Summer is here at last. On July 1, sacred to Canada, we were given a real Canadian summer's day. It takes a lot to make an Englishman give up his waistcoat; but as the heat wave looks as if it will also embrace United States Independence Day, the English waistcoat is being left at home in large numbers.

Anthony Eden turned up full of enthusiasm for Canada. His brief stay in Toronto was apparently very pleasant and he thought the luncheon audience at Toronto was everything that an audience should be. He had intended coming back on the Queen Mary, to have a rest, but his visits to Toronto and Ottawa negatived that and he came home by plane.

His position in the Conservative Party is one of much conjecture and argument. You will have heard that Lord Woolton, the lucky and able Minister of Food in the war, has now become chairman of the Tory Party. This is a big thing for the Opposition, because Woolton is not only immensely popular and a great organizer, but was until recently a Liberal of the old Manchester school. Hitherto the party chairman was simply the chief organizer, who took his orders from the leader. It was a job which led usually to the House of Lords, and often went to men who were good party members and not much else.

• • •

Four Year Plan Okay 'But It Lost Election'

Obviously Woolton does not intend to be the mere adjutant of the Tory regiment. Tactfully, but firmly, he will try to become the Boss, while acknowledging the seniority of his leader. They say that he told Churchill that he would only take the job if the Tories produced a new program. "What is wrong with our Four Years' Plan?" asked Winston. To which Woolton replied: "Nothing at all, except that it lost the election for you."

Woolton is said to favor a setup in which Churchill would be like Generalissimo Eisenhower with Eden as Montgomery and Lord Cranborne as Alexander. That is, Cranborne would be the leader in the Lords and Eden in the Commons. Churchill would remain an M.P. and would speak on big occasions; but the day-to-day leadership would pass from his hands.

Lord Beaverbrook has declared that Eden should not be the leader because he is not an out-and-out Empire man. In fact, it rather sounds as if our old friend Max might raise a force of partisans again, as he did in the days of the Empire Crusade. However, my money is still on Eden's getting the job.

Whatever happens you can rest assured that the Conservatives are coming to life. Their sojourn in the wilderness may not be as prolonged as people thought.

• • •

Socialists on Spot But They Can Take It

On the other hand, the Socialists are going through a grim time. Bread rationing has brought a swarm of troubles on the Government. The British housewife's patience is exhausted. It may be that the Government could not help this harsh measure, which was never imposed even in the darkest days of the war; but the mistake was in not telling the people and making them partners instead of victims.

Perhaps in no other department has the Government been so lacking as in the art of public relations. Attlee is not a man of words and apparently does not realize that under Churchill, the British people became accustomed to being told what was going on.

Speaking of public relations, the Ministry of Transport put out thousands of posters showing the face of a gaunt, haunted widow. Above the picture were the words: "Keep death off the roads." Unfortunately some misguided wag went around London one night and wrote underneath it: "She voted Socialist." It is the best laugh London has had for a long time.

The truth is that the Government has run into a bad patch and that perhaps its fortunes seem lower than they actually are. The Jews in Britain are furious over the 2,000 arrests in Palestine, the housewives are in a state of rebellion, holiday makers are angry about the increase of railway fares, the farmers are furious at having to kill off their herds because of the lack of feeding stuffs, beer drinkers have had their beverage reduced—and it is very hot weather.

Meanwhile, the newspapers keep pounding the Government day by day. No wonder that the rarest sight at Westminster is a minister who can smile. But it must be admitted that the Government takes its punishment without squealing. It has guts.

• • •

Old School Tie Restored in Cricket

Democracy has had a setback in the realm of sport. For endless years it has been the custom in publishing the names of a cricket team to give only the surname of the professionals and to keep initials for the amateurs. Thus a team would read:

Brown, W. J.
Wilson, R. S. L.
Smith
Watson, S. J.
Jones

and so on down the list. After the Left Wing sweep of last year's election, everyone felt that this relic of snobbery should be done away with and that every player should either have initials or else none. So this sweeping reform took place.

But the public did not approve at all. It wanted to know who was a pro and who was amateur. So the newspapers have had to put back the clock. L. W. Jellyfish is now bowled by Smith or vice versa.

• • •

'Thunderer' Thunders Against D'Oyly Carte

On the other hand The Times has caused more anger in Pall Mall clubs than is safe in this hot weather. The only group allowed to produce Gilbert and Sullivan's operas professionally is the D'Oyly Carte Co. which owns the copyrights. It tours the provinces all the year round, and then comes to London for two months, and always plays to capacity.

It opened its London season with "Iolanthe" which caused The Times critic to say: "When will the copyright of these works run out, so that we can break with tradition and produce the operas with a new technique?"

Strong men have paled and women swooned at this outrageous blasphemy. But how right The Times is!

John Gielgud, who has been losing ground in the theatre before the onslaught of Laurence Olivier and the Old Vic Company made a great comeback this week with a remarkable dramatization of Dostoievsky's novel "Crime and Punishment." Gielgud played the role of the student who killed a woman just to prove that he was superior to other men and to defy the God in Whom he did not believe. It was the best acting of his career and he sent the critics out looking for new superlatives. In the meantime Olivier has come back from New York and the next move is with him. He certainly will not leave the challenge unanswered.

COMPANY REPORTS

CUB AIRCRAFT CO. net profit for the year ended Oct. 31, 1945 was off somewhat as a result of a three month tooling-up period at the beginning of the year. Despite this, sales volume was at a new high.

Piper Cub Specials are now operating on the various airports from coast to coast. These are to be followed rapidly by the new Super Cruiser (3-place aircraft) which cruises at more than 100 m.p.h. and embodies many advanced features which are somewhat of an innovation in this type of aircraft, President R. L. Gibson states.

The company has practically completed a substantial dealer organization from coast to coast, comprising many of the older well-established commercial operators, and at the present time there are sufficient orders on hand to keep plant in full production for more than a year. In addition the company is importing 200 Super Cruisers from the Associate firm, Piper Aircraft Corp., in United States.

INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net earnings	$53,008	$28,047
Less: Deprec.	35,806	7,518
Prov. for taxes	8,189	8,212
Net prof. & surplus	9,011	12,317
Earnings per Share and Dividend Record:		
Com.: Earned	$0.065	$0.09
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1945	1944
Cash	$3,014	$261
Accts. rec., etc.	99,852	78,477
Inventories	102,511	80,828
Total curr. assets	205,377	159,566
Misc. assets	16,113	11,859
Fixed assets*	14,457	79,472
Mfg. & sell. rts.	50,000	50,000
Total assets	285,947	300,807
Total curr. liab.	63,550	82,021
Capital stock	207,613	207,613
Capital surplus	33,750	33,750
Less: Deficit	18,866	22,487
*After depr. of	95,900	23,458
Working capital	141,827	77,545

DOMINION & ANGLO INVESTMENTS net profit for the year ended Apr. 30, 1946, was off narrowly. Despite the strongly declining income return on re-investment of capital funds, the income account held relatively well, Director Arthur F. White, stated. Receipt of arrears of bond interest and preferred dividends was substantially less. At the same time the high level of business activity and decreased corporate taxation have been accompanied by some increase in common stock dividends.

Net realized profit on the sale of investments amounted to $251,728.

INCOME ACCOUNT

Years Ended Apr. 30:	1946	1945
Inc. from invest.	$144,752	$155,675
Less: Expenses	16,706	18,619
Pension fund res.	5,000	10,000
Dom. inc. tax	4,451	4,180
Net profit	118,595	122,876
Less: Pref. divds.	59,223	62,475
Common divds.	52,500	......
Surplus for year	6,872	60,401
Earnings per Share and Dividend Record:		
Pref.: Earned	$10.49	$9.83
Paid	5.00	5.00
Com.: Earned	5.94	6.04
Paid	5.25	nil

CONSOLIDATED BALANCE SHEET

As at April 30:	1946	1945
Cash	$77,005	$11,290
Accts. rec.	30,390	10,994
Investments*	2,155,648	2,103,493
Total assets	2,263,043	2,125,777
Accts. & tax. pay.	3,648	3,486
Dividends pay.	14,129	15,619
Pension fund res.	15,000	10,000
Capital stock	1,230,300	1,349,500
Capital surplus	641,769	395,867
Distrib. surplus	219,301	219,301
Earned surplus	138,896	132,024
*Market value	3,519,456	2,776,818

HASAGA GOLD MINES investments in bonds and marketable securities increased 197.5% in 1945, mainly as a result of sale of a group of claims to Starratt Olsen Gold Mines for 1.5 million shares. Working capital was 54.9% higher at $1,186,614.

Since year end internal shaft has been deepened to 2,221 ft. on way to objective of 2,300 ft. Diamond drilling below 1,600-ft. level has indicated three ore shoots, President J. E. Hammell states.

No. 1 ore body appears to have a length of 50 ft., he states, and lies between 700 to 1,200 ft. west of shaft. Of two holes 100 ft. apart at the 1,800-ft. horizon one returned $8.89 across a true width of 78 ft. and the other $6.75 across 64 ft. No. 2 ore body is indicated a short distance farther west by two flat holes in the south wall of 1,603 west drift. Third ore body is indicated 400 ft. farther west again.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Bullion prod.	$453,731	$648,890
Less: Mkt. exp.	5,920	8,244
Oper. exp.	483,333	548,460
Operating loss	35,522	*92,186
Less: Sundry rev.	234,991	16,187
Add: Deprec.	42,677	57,364
Dev. exp. w/o	23,193	33,772
Prov. for taxes	......	1,432
Net profit	183,899	15,865
*Profit.		
Earnings per Share	$0.044	$0.005
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bullion	$248,218	$161,219
Dom. bds. & mkt. secs.*	572,710	509,772
Accts., etc., rec.	243,776	17,880
Inventories	180,627	114,936
Total curr. assets	1,245,331	808,807
Misc. assets	12,748	12,324
Def. dev., etc.	46,279	28,652
Bldgs. & equip.§	60,493	79,075
Property	112,880	205,838
Total assets	1,477,729	1,129,696
Total curr. liabs.	58,717	37,741
Capital stock	801,079	413,588
Earned surplus	817,933	678,367
§Less depr.	402,647	368,657
*Mkt. value	1,347,218	520,015
Working capital	1,186,614	766,066

OPERATING STATISTICS

	1945	1944
Tons milled*	105,068	118,205
Average recovery	$4.32	$5.49
Ore reserves, tons	190,077	282,726
Grade ($38.50)	$5.08	$5.68

*After sorting waste rock.

A. E. H. FAIR

has been elected a director of Howard Smith Paper Mills Ltd.

"Have a Cigar!"

● Not long ago Bob was "handing it out" to the Axis with a machine gun. Today, he's handing out cigars . . . proud father of a brand new baby.

There are many "Bobs" today . . . returned men . . . marrying, starting homes, raising families. To them Imperial Life has a special message.

Overseas you faced the suddenness, the unexpectedness of death. You learned the wisdom of protection. Today—your wives and children face uncertainties too. They lean upon you for protection . . . but if something should happen to you, what would happen to them?

That is why many men have secured their family's future through an Imperial Life Plan tailored to their particular needs and circumstances.

An Imperial Life representative will be glad to discuss with YOU the plan best suited to YOUR requirements—without obligation to you.

See Your Local Representative

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We Manufacture
Envelopes
for every purpose
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TORONTO BRANTFORD
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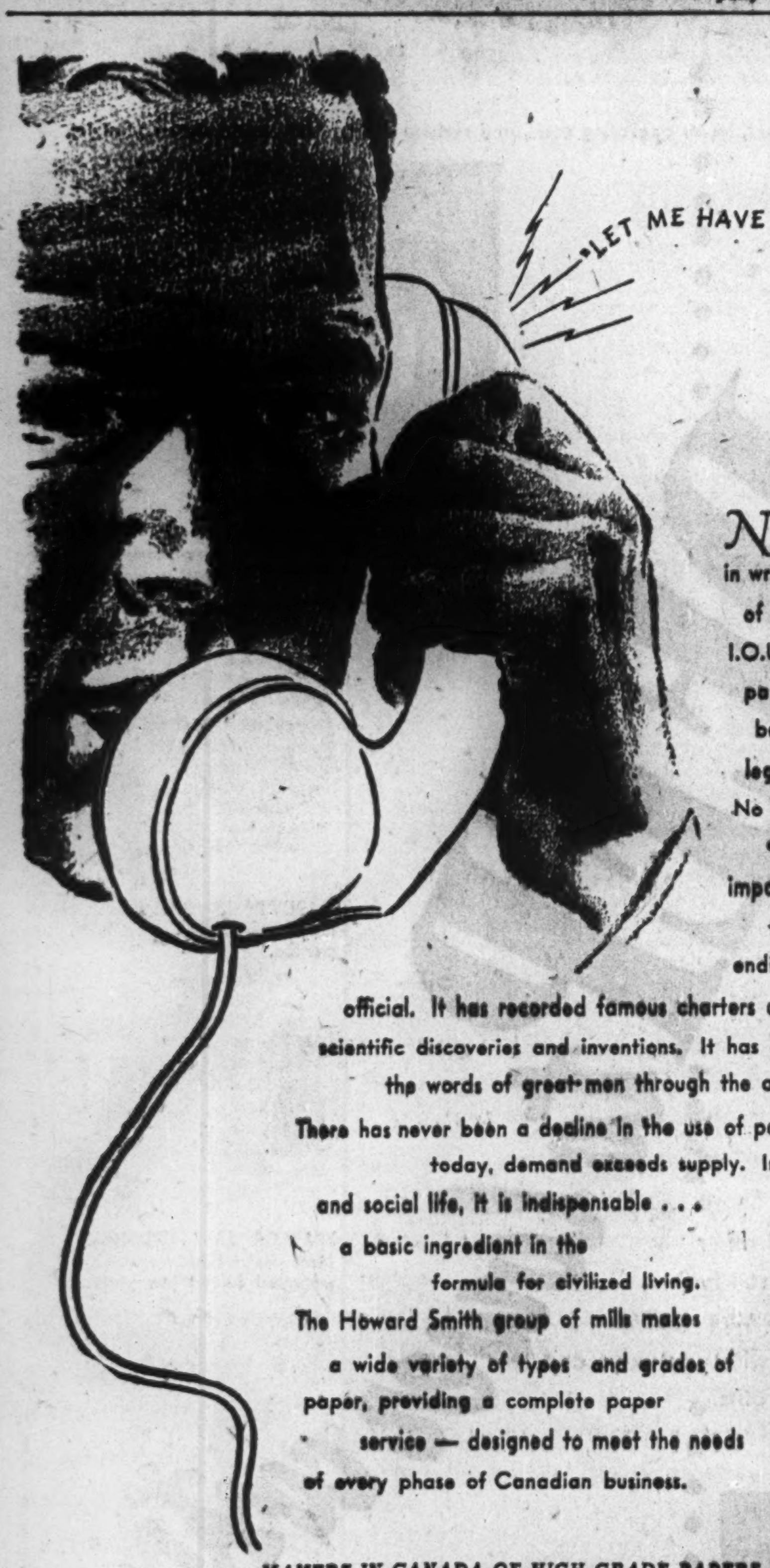

"LET ME HAVE THAT IN WRITING"....

NATURALLY he wants it in writing . . . whether it's a bill of sale, a contract or an I.O.U. For putting the facts on paper has, for centuries, been the accepted way to legalize agreements.

No wonder paper is and always has been of vital importance. It has made the beginnings and the endings of countless wars official. It has recorded famous charters and treaties . . . scientific discoveries and inventions. It has carried the thinking and the words of great men through the ages.

There has never been a decline in the use of paper. In fact, today, demand exceeds supply. In every phase of business and social life, it is indispensable . . . a basic ingredient in the formula for civilized living.

The Howard Smith group of mills makes a wide variety of types and grades of paper, providing a complete paper service — designed to meet the needs of every phase of Canadian business.

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TOURISTS MEAN EXTRA INCOME FOR GEORGE...

but... CANADA'S TOURIST BUSINESS IS YOUR BUSINESS TOO...

AND it's mighty big business . . . Last year tourists spent more than *one hundred and sixty million dollars* in Canada. This year, with millions of American visitors expected, that figure may well be surpassed. It means extra income for *you*, for every Canadian. Tourist money gets around. It flows to every part of the country.

This year particularly we must make sure that our friendly visitors enjoy themselves, that they'll carry back good reports of our hearty hospitality. Then they'll come again— and their friends will come—and Canada's tourist industry will continue to be a source of ever increasing prosperity through the years.

Here's what we're telling
OUR GOOD NEIGHBOURS

Your Canadian Travel Bureau, formed to protect and promote your interests in Canada's tourist industry, is running advertising in leading U.S. newspapers reminding American readers of the beauty and diversity of Canada's tourist attractions. *At the same time it is tactfully reminding them that in view of travel and accommodation difficulties this summer, they will be wise to make reservations ahead.*

Give them a friendly CANADIAN welcome!

CANADIAN TRAVEL BUREAU
Department of Trade & Commerce, Ottawa

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C. P. ROBERTS, F.C.A.
CHARTERED ACCOUNTANTS
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How do you care for
AGED EMPLOYEES?

The intelligent business man knows the value of a sound pension program for his employees. A Group Annuity Plan provides the complete answer!

A Group Annuity offers every employee a retirement income for life. Benefits can also be provided if an employee dies or leaves before retirement. The cost may be met by small regular contributions from you and your employees.

Years of specializing in all forms of Group coverage, including Group Annuities, equip the Great-West Life to design a plan best fitted to your needs. Enquiry is invited—write or telephone our nearest office.

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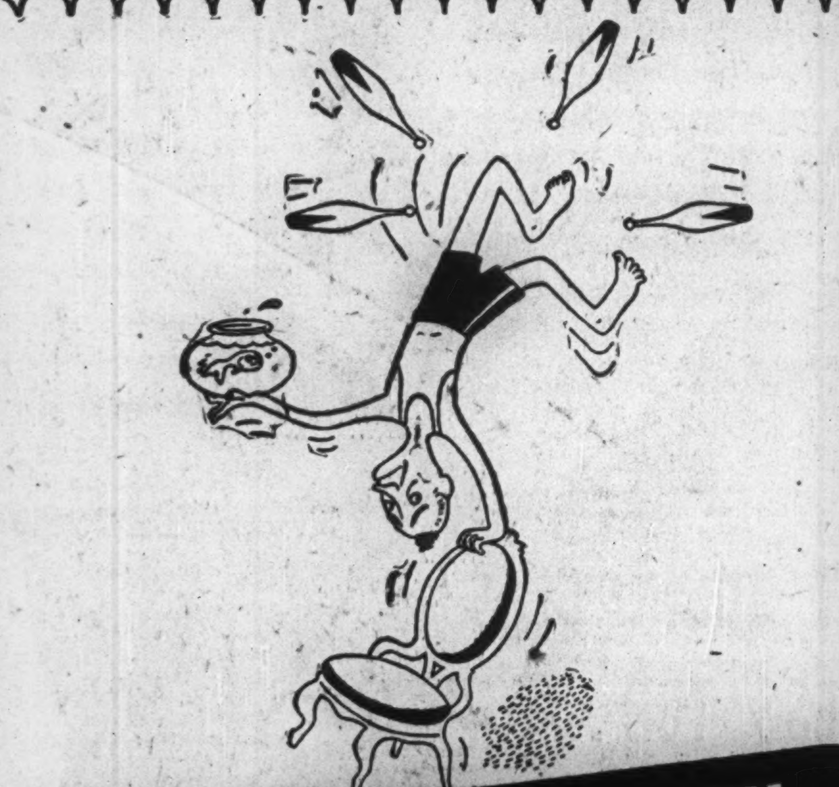

HE HAS OUR SYMPATHY...

Like the man in the picture we're in the midst of a complex juggling act. Our problem on the one hand is to maintain the fairest possible distribution of the insufficient quantities of "Cellophane" available and on the other to step-up output in the face of continuing handicaps.

Unfortunately many of the difficulties of raw material supply are not yet surmounted. In fact, due to the current situation some materials have actually been cut back.

That's why we suggest that you take a rain-check now on new packaging developments until the recognized merchandising assistance of "Cellophane" cellulose film is once more fully available . . . an event that you'll find *well worth waiting for!* Canadian Industries Limited, "Cellophane" Division, with offices in Montreal, Toronto, Winnipeg and St. John's, Nfld.

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Boom in Boating Boosts Demand For Insurance on Pleasure Craft

On almost every lake and river in Canada this summer, thousands of pleasure craft, from rowboats to expensive yachts, are dipping to the waves in the most active boating season since 1939.

Many of these vessels have been brought out of storage, where they spent the war years, due to gasoline shortage or because their owners were in the armed forces. But many new boats also have slipped down the ways in recent weeks, and it is estimated more pleasure craft are being placed in commission than ever before. In some quarters, the situation is described as a boating boom.

Up to July 1, with the holiday season just starting, 454 pleasure boats had been licensed by the Toronto Harbor Commission licensing office against 349 for the same period is 1945 and 527 for the whole 1945 season.

Before the end of the summer some of these boats will lie at the bottom of the lake, some will have had their sides bashed in against wharves or other boats, their propellers twisted on reefs or sunken logs, or will perhaps have been burned or damaged by explosion. Many of the owners may have had costly bills for damages to property or personal injuries they may have inflicted. Operation of a motor boat exposes the owner to many of the hazards of the automobile owner.

Buy Yacht Insurance

Financial hazards created for the individual by the boating boom have caused a yacht insurance boom. One of the largest marine insurers in Canada states his premium income in 1946 will be about double that of his best pre-war year. Another states he never remembers applications for insurance being so numerous. The increase over the war years, when yacht insurance was of minor importance, is even more substantial.

Marine insurance, of which yacht insurance is a branch, is one of the oldest types of insurance in the world, dating back at least to the third century of the Christian era in Greece. Policies, accordingly, are often worded in archaic language of centuries ago. Insurance companies, however, while retaining old terms and phrases, have kept their contracts up to date to provide adequate protection to the yacht-owner whether he sails a sloop or a luxurious high-powered seagoing vessel.

There are two main property hazards for the yacht-owner—one the perils of the sea; the other, fire. Insurance against perils of the sea means that if your boat is smashed on the rocks, punctures its bottom on a sunken reef, twists its propeller, sinks or is otherwise injured by the action of wind and wave, the owner will be indemnified. It doesn't matter who is responsible, the insurer makes good the loss. If the boat is stolen, the owner will also be indemnified.

Fire, the other main hazard, is more common in power vessels than in sailing boats. In some quarters, however, the lower fire hazard in the sailing vessel is considered offset by the fact that there is less control of movement.

Apart from the actual protection given by yacht insurance, one of its most valuable features is that most companies require completion of a survey form before issuing a contract. This survey form asks many questions about the vessel to be insured which draw attention of both owner and insurer to points which may increase or reduce the hazards of operation. For example, it asks if the propeller extends below the keel, if there is a guard on it, if the carburetor is equipped with a drip pan, if there is a forced draught ventilation system. Methods of taking in fuel, of dissipating flammable gases, number, weight, type of anchors and length of anchor chains or ropes is also information required.

Provide Information

In many cases, these questions bring to light facts about the vessel that possibly the owner didn't know or the hazard he didn't realize, and enable him to take necessary action. For instance, gas formed by gasoline is heavier than air; hence, falls. In a motor car, this gas just settles to the ground and gradually becomes harmless. In a motor boat, unless proper vents are provided, the gas settles down into the lower spaces of the hull, becomes a perfect setting for an explosion or fire if the necessary spark is provided. The survey form may lead to changes in construction.

Just as in fire insurance, the vessel with proper installations and equipment gets insurance at a relatively low rate.

Public liability risks which the vessel-owner runs are similar to those of the motorist. There is always the chance that the power boat may run down a swimmer, or a smaller vessel. In one recent case a vessel bumped into a dock at a summer resort, crushing the legs of a boy, and resulting in a claim for damages. This type of liability is covered by a "protection and indemnity" clause added to the yacht insurance contract. Standard protection is similar to that in an automobile policy, $5,000 for injury to one person, $10,000 for one accident. Property damage is limited to an amount equal to the value of the policyholder's boat. Unlike automobile insurance in most Canadian provinces, the vessel-owner is liable for injuries to a free passenger through his negligence.

There are, moreover, certain exclusions, as, if a boat-owner goes into formal races or prohibited waters, the insurance is invalid.

Premium Rates

Usually because of differences in construction and waters traversed, premium rates are quoted on each individual case, as a percentage of value. Thus on a vessel valued at $1,500 to $2,000 full insurance against perils of the sea and fire would probably cost 4% in Ontario, 3% for fire insurance alone. For public liability insurance with limits of $5,000 to $10,000 and property damage up to the value of the owner's own craft, $37.50 for six months cover.

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Life Insurance Sales Rise 68%

Gains Shown by All Provinces and Newfoundland in May

Sales of new ordinary life insurance in Canada and Newfoundland in May at $105.5 millions were almost 68% higher than in the same month of 1945. Substantial gains were shown by each of the provinces as well as in Newfoundland.

Figures released by the Canadian Life Insurance Officers Association, designate only ordinary insurance brought into force excluding dividend additions, reinsurance acquired, annuities and group insurance.

Life Insurance Sales
Canada and Newfoundland
(000's of $)
Sales for May

	1946	1945
British Columbia	8,370	4,235
Alberta	5,983	3,569
Saskatchewan	4,666	2,660
Manitoba	6,125	3,335
Ontario	45,469	24,926
Quebec	25,531	18,735
New Brunswick	2,933	1,619
Nova Scotia	4,182	2,690
Prince Edward Island	466	409
Newfoundland	810	693
Total	105,535	62,871

Sales by Months
(000's of $)

	1946	1945
Jan.	82,572	57,727
Feb.	88,225	59,742
Mar.	102,748	66,195
Apr.	104,949	70,492
May	105,535	62,871
June	....	66,840
July	....	69,348
Aug.	....	60,194
Sept.	....	64,992
Oct.	....	85,583
Nov.	....	91,979
Dec.	....	82,045
		839,008

Orient, South America Want Canadian Flour

From Our Own Correspondent

EDMONTON — Quality and uniformity of standards of flour for the export trade should be the objective of the small miller if Canada is to obtain markets which will endure. This was emphasized during the discussions at the annual meeting of the Western Millers Association here. Stronger organization of millers was urged.

A. Goss, Seattle, western coast grain broker, said the outlook for Canadian flour markets in the Orient and in South America is particularly bright.

About 90% of western flour has been going to Great Britain, through purchases by the British food ministry.

Here's How Exemptions For Inc. Taxes Compare

According to figures given by Finance Minister Ilsley in his budget address, the statutory exemptions allowed for income tax purposes in Canada are higher than in various other English-speaking countries. Here's how they compare.

	Single Person	Married Person No Dependents
Canada	$750	$1,500
Australia	700	931
New Zealand	700	1,077
United States	500	1,000
United Kingdom	490	800

GATINEAU POWER CO. and subsidiary companies reported net profit at $745,289 for the quarter ended March 31, 1946, up 11% from the corresponding 1945 period. Operating revenue and other income were up from $2.6 millions to $2.7 millions, or 4.4%. Operating expenses were $19,000 higher; taxes were up $42,000, while interest charges were down $13,200.

MONTREAL STOCK EXCHANGE reports that the dollar value of shares traded in June on both the Montreal Curb Market and big board totalled $32.6 millions, down $19.5 millions from May but up $836,000 from June, 1945. Average price per share traded was $8.04, while in May it was $12.53 and $6.37 in June, 1945.

Co-operative Life Insurance Co. Writes $2.5 Millions Business

From Our Own Correspondent

REGINA—A total of $2,535,000 of insurance has been written by the Co-operative Life Insurance Co., headquarters in Regina, in its first year of operation, ended April 30. This includes $362,000 of group insurance. The company writes whole life, whole life with double protection, limited payment life with double protection, and group.

Recently at Ottawa, the senate's banking and commerce committee turned down an application of the co-operative to allow control by a delegate system similar to that of the Saskatchewan Wheat Pool by which control is exercised through delegates elected from the policyholders, not through a meeting of the policyholders themselves.

However, the committee recommended that it be given Dominion incorporation and the basis of administration will continue to be the proxy system under which policyholders attend and vote at annual meetings or appoint proxies for that duty.

Objection to the delegate system was voiced by G. D. Finlayson, federal insurance superintendent, who said that at no stage would there be a meeting of policyholders.

At the annual meeting, plans were discussed for expansion of business outside Saskatchewan. Requests have been received for entry into Manitoba and Ontario from co-operative groups.

The Co-operative company was formed with the financial backing of the Saskatchewan Wheat Pool, which loaned $25,000 and the Saskatchewan Federated Co-operatives, Ltd., which advanced $5,000.

Canada Life Assurance On New Dividend Basis

Canada Life Assurance Co. this year brings into effect a new basis of dividend distribution. For some years the company has paid regular dividends annually, with an extra dividend at the end of five years. It now proposes to make an extra dividend distribution each year as earned.

Accordingly, in future, each annual dividend will be made up of two parts, a basic dividend and, when earned, an extra dividend. The former will be calculated on a scale which it is believed can be maintained at least for a few succeeding years. The extra dividend will bring the total up to the maximum amount warranted by savings and earnings of the year.

In most policies, the new basic scale represents an increase over previous scale. On certain plans where the investment interest element predominates, there will be a reduction. Retirement income bonds are not affected.

To The Travelling Public:
Hotel London
London, Ontario
Rates for Rooms as Follows:—
Single room without bath, [illegible]; running water and toilet.
Single room with shower, [illegible].
Single room with bath, [illegible].
Single room with tub and shower combination, $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.
Soliciting your appreciated patronage.
H. F. STRUCKETT, Manager

SUDBURY CONTACT MINES has received payment for 50,000 shares at 15 cents. Issued capital — 2,250,000 shares.

Explorers welcome!
You don't have to travel by sailing ship to explore to-day's trade prospects in the South-West Pacific. Economic and trade information about AUSTRALIA, NEW ZEALAND, FIJI, PAPUA and NEW GUINEA and introductions to importers and exporters can be obtained by asking your bank to write to the
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British & Foreign Department, Sydney, Australia

The WESTERN SAVINGS and LOAN ASSOCIATION
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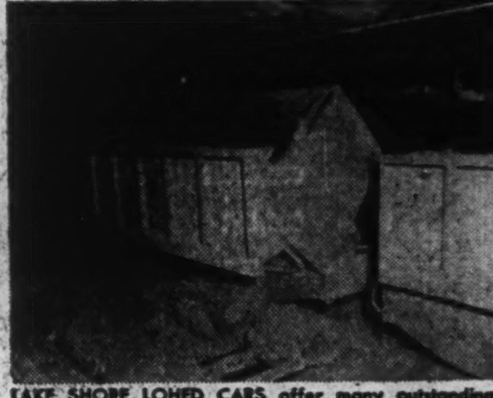

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Business Borrows More From Banks Savings Deposits Again at New High

For the first time in six months, current loans in Canada in May showed an increase over the preceding month, the regular monthly return of the chartered banks to the Finance Minister as at May 31 reveals.

Increase of $26.5 millions, while moderate, is the first in any month since 1939, without the stimulus of war financing. It also is contra-seasonal as in most of the pre-war years commercial loans declined in May as compared with April.

Bankers, with characteristic caution, were slow to attach any great importance to the gain, which was shared by six of the ten banks, the other four recording declines. In some cases the rise was attributed to industrial companies resorting to bank borrowing while arranging permanent refinancing. In others, however, it was believed it reflected a slight improvement in the demand for credit to finance wholesalers' and manufacturers' inventories, for which bankers have been looking for a long time. So far, however, borrowing of this kind remains light because raw and manufactured goods are in such light supply.

Call loans declined sharply in May, reflecting quieter stock markets. Municipal borrowing was also lighter, but provincial loans were up. Total loans in Canada accordingly showed a net decline of about $500,000.

Meanwhile savings deposits rose to another new high at $3.3 billions, while demand deposits went over $2.2 billions, but were still below last October's high record.

Bank investments again were higher, but banks' cash was down slightly on the monthly, although still above last year's figures.

Important items in the statement, with comparisons, follow:

Use of Bank Credit in Canada
(In Millions of Dollars)

	May 1946	April 1946	Change	May 1945	Change
Loans	1,311.3	1,311.8	—0.5	1,424.4	—112.9
Investments	4,304.0	4,242.6	+61.4	3,885.2	+418.8
Total	5,615.3	5,554.4	+60.9	5,309.4	+305.9
Deposits	5,512.7	5,416.0	+96.7	4,355.3	+1,157.4
Credit index*	23.8%	24.0%	—0.2%	32.7%	—8.9%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets
(In Thousands of Dollars)

	May 1946	April 1946	Change	May 1945	Change
Canadian coin	10,792	11,211	—419	9,488	+1,304
Bank of Canada notes	137,526	154,482	—16,956	147,975	—10,449
Bank of Canada deposits	443,361	555,301	—62,440	464,815	+28,546
Bank's cash	641,679	721,494	—79,815	622,278	+19,401
Gold sub. coin abd.	2,773	2,744	+29	2,557	—216
Foreign banks	223,403	239,048	—15,645	229,292	—5,889
Foreign currency	94,499	87,665	+6,834	96,476	—1,977
Call loans abroad	89,574	106,070	—16,496	113,169	—23,595
Government securities:					
Dom. short term	1,523,124	1,545,078	—21,854	1,928,934	—405,810
Prov. short term	111,136	107,103	+4,033	136,022	—24,886
Dom. long term	1,881,928	1,841,296	+40,632	1,247,025	+634,903
Prov. long term	210,492	215,198	—4,706	160,033	—50,459
	4,778,608	4,865,696	—87,088	4,535,786	+242,822

Loans and Other Securities Other Than Those of Canadian Government

	May 1946	April 1946	Change	May 1945	Change
Municipal secs.	95,401	98,816	—3,415	80,179	+15,222
Public secs.♦	303,724	277,305	+26,419	233,432	+70,292
Other secs.	178,295	157,884	+20,431	99,608	+78,687
Can. call loans	124,511	151,820	—27,309	125,133	+622
Current loans	1,140,356	1,113,796	+26,560	1,249,153	—108,797
Loans abroad	150,170	151,868	—1,698	124,056	+26,114
Prov. loans	10,429	16,740	+2,689	20,612	—1,183
Mun. loans	27,017	29,463	—2,446	28,994	—1,977
	2,038,903	1,997,672	+41,231	1,961,467	+77,436

Other Assets

	May 1946	April 1946	Change	May 1945	Change
Noncurrent loans	932	909	+23	1,190	—258
Real estate	1,772	1,861	—89	2,215	—443
Mortgages	1,725	1,793	—68	2,142	—417
Premises	64,803	64,349	+454	62,265	+2,538
Letters of credit	174,040	166,383	+7,657	123,352	+50,688
Loans to comp.	10,635	10,690	—55	14,505	—3,878
Other assets	4,780	9,706	—4,926	4,062	+718
	258,687	250,691	+7,996	209,731	+48,956
Total	7,076,198	7,114,059	—37,861	6,706,984	+369,214
Note circ. dep.	1,696	1,696	......	2,269	—573
Int. bank bal.	283,046	257,840	+25,206	247,947	+35,099
Gross	7,360,940	7,373,595	—12,655	6,957,200	+403,740

LIABILITIES

To the Public

	May 1946	April 1946	Change	May 1945	Change
Circulation	23,680	24,104	—424	29,357	—5,677
Dom. Govt.	248,633	359,560	—110,927	1,168,126	—919,493
Prov. Govt.	120,181	122,322	—2,141	92,368	+27,813

Deposits by Public

	May 1946	April 1946	Change	May 1945	Change
Demand dep.	2,206,998	2,178,508	+28,490	1,792,411	+414,587
Savings dep.	3,305,702	3,237,508	+68,194	2,562,943	+742,759
Total	5,512,700	5,416,016	+96,684	4,353,354	+1,157,346

Foreign Deposits

	May 1946	April 1946	Change	May 1945	Change
Dep. elsewhere	770,692	772,140	—1,448	716,035	+54,657
For. curr. in Canada	71,299	64,559	+6,740	53,036	+18,263
Total	841,991	836,699	+5,292	769,071	+72,920

Due to Banks Abroad

	May 1946	April 1946	Change	May 1945	Change
United Kingdom	31,896	32,040	—144	38,202	—6,306
Foreign	84,511	91,660	—7,149	53,721	+30,790
Letters of credit	174,040	166,383	+7,657	123,352	+50,688
Other liab.	4,365	2,877	+1,488	5,213	—848
Total public liab.	7,041,997	7,051,661	—9,664	6,634,764	+407,233
Due other banks	18,255	20,012	—1,757	16,820	+1,435

Liability to Shareholders

	May 1946	April 1946	Change	May 1945	Change
Dividends	1,882	3,117	—1,235	1,499	+383
Reserve	136,750	136,750	......	136,750	......
Capital stock	145,500	145,500	......	145,500	......
Gross	7,344,384	7,357,040	—12,656	6,935,333	+409,051

♦Other than Canadian.

Latin America Trade Picture Bright For '46

Canadian Exports to 20 South American Countries Gain

OTTAWA (Staff)—Despite shortages of steel, coal and other raw materials and finished goods, Canadian exports to 20 Latin-American countries were almost $36 millions for the first five months of 1946. Comparative figures for the first five months of 1945 were $18 millions.

Earlier this year, Trade Minister Hon. James A. MacKinnon predicted that Canada's trade with Latin America in the postwar period would be double anything done previously and might reach the $200 millions mark. There isn't much chance of anything like that total in 1946, but barring strikes, work stoppage and the like, it may come near $100 millions.

Just how important this would be in relation to the past may be judged from the following table:

Annual Exports to Latin America

	$
1935	15,309,000
1936	16,641,000
1937	24,349,000
1938	17,373,000
1939	20,213,000
1940	26,189,000
1941	33,255,000
1942	23,490,000
1943	26,574,000
1944	32,726,000
1945	57,801,000

Can't Meet Mexico Demand

By countries, biggest trade so far in 1946 is with Brazil and Venezuela. Our trade with the former country is running double what it was a year ago. Trade with Venezuela has increased nearly fourfold. Argentina, Mexico and Colombia are our three next largest Latin American customers. It is reliably reported that in the last nine months Canada has lost between $22 and $25 millions of business in Mexico alone, through inability of this country to supply wheat, flour, paper products and other items in short supply.

Details of trade during the first five months of 1945 and 1946 follow:

Exports to Latin America
(Five Months Ending May)

	1946 $000	1945 $000
Argentina	4,245	2,058
Bolivia	251	118
Brazil	8,718	4,255
Chile	1,523	795
Colombia	3,691	1,466
Costa Rica	460	157
Cuba	2,277	1,778
Ecuador	241	112
Guatemala	385	146
Haiti	479	219
Honduras	328	57
Mexico	3,791	3,008
Nicaragua	92	142
Panama	594	313
Paraguay	44	15
Pèru	1,216	892
Salvador	162	181
San Domingo	558	247
Uruguay	839	618
Venezuela	6,044	1,445
	$35,838	$18,022

CGE Buys 35 Acres For Plant in London

Canadian General Electric has bought 35 acres in London, Ont.'s east-end industrial area for construction of a new factory as soon as building materials are available. The new plant, to employ 900 and produce major electrical appliances, is one of a series being built or planned by CGE to decentralize Toronto operations.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

H. A. BALLARD, to be manager Westboro, Ont.

F. A. McCALLUM, to be manager Cobden, Ont.

R. C. SILLERS, to be manager Spadina and Dupont, Toronto.

J. B. TARLTON, to be manager Fredericton, N.B.

J. A. CRANSTOUN, to be assistant manager Edmonton.

G. C. HITCHMAN, to be an assistant manager Montreal.

W. C. ALLEN, to be accountant Queen and McCaul, Toronto.

C. A. BUFFAM, to be accountant King and Victoria, Toronto.

DUNCAN M. CHRISTIE, to be accountant Cobourg, Ont.

W. A. SPARKS, to be accountant Saskatoon.

ADD STAFF CHANGES

The Royal Bank of Canada announces the following staff changes:

H. E. ABBOTT, head office Montreal to be manager North Bay, Ont.

J. J. W. BRIDGES, assistant manager Windsor, Ont. to be manager Blind River, Ont.

M. KISSUK, manager Steinbach, Man. to be manager Newdale, Man.

W. McCHESNEY to be manager St. Clair & Oakwood, Toronto.

A. E. SHARP, manager Neudorf, Sask. to be manager Wawota, Sask.

C. Y. F. PARKER, accountant Edmonton, to be accountant High River, Alta.

A. McINTYRE, manager Dryden, Ont. retires.

BANK OF CANADA

Liabilities	July 3 1946 $	June 26 1946 $
Capital paid up	5,000,000	5,000,000
Notes in circ.	1,119,864,737	1,110,971,073
Rest fund	10,050,367	10,050,367
Deposits: Dom	64,263,941	49,740,605
Chart. banks	512,289,016	487,936,956
Other	83,446,772	83,305,121
Total deps.	649,993,729	620,982,682
Liabs. pay. in sterling, USA and for. gold currencies	2,027,422	2,027,422
All other liabs.	16,927,798	29,507,548
Total liabs.	1,803,864,053	1,778,539,092
Assets		
Sterl. & for. ex.	2,027,422	2,027,422
Subsid. coin.	398,840	393,747
Advs. to Ch. Banks	......	300,000
Investments:		
Dom. gov. sh.	1,221,893,194	1,210,861,039
Oth. Dom. gov.	541,233,699	540,435,581
Other secs.	10,000,000	10,000,000
Total invest.	1,773,126,893	1,761,296,620
Premises	2,542,639	2,541,755
All other assets	25,768,259	11,979,548
Total assets	1,803,864,053	1,778,539,092

Unique Methods Get Business For Pikeville Kentucky Bank

Unique methods of building goodwill adopted by John M. Yost, vice-president and cashier of the First National Bank of Pikeville, Kentucky, are stated by Mr. Yost to bring good results in volume of business and profits.

One method is distribution of a water-colored map of Kentucky, showing the location of Pikeville and the bank and an invitation to visit it. Other measures include display of flowers in the bank's premises, the flowers coming from the bank's own gardens; and the serving of cake, soft drinks and wine to the customers. Every family in Pikeville gets a bouquet of flowers from the bank's garden at least once a year.

Beginning with its own staff, the bank pays relatively high salaries. Each employee gets four weeks holidays a year, three in summer, one in winter, and an annual raise in pay. Each day the bank opens with music, which is supplied at intervals during working hours. Mr. Yost says the staff work better and faster to music.

Herington Heads C. A. Institute

H. P. Herington was elected president of the Institute of Chartered Accountants for Ontario at its annual meeting. Other officers elected include K. L. Carter, first vice-president; J. G. Glassco, second vice-president; and H. O. Glover, secretary - treasurer. The newly elected members of the council include B. A. Armstrong, R. C. Cowle, H. E. Crate, W. D. Glendinning, H. H. Milburn, D. J. Sales, G. W. Smith, W. A. Staples, R. B. Taylor, D. F. Wilson and J. A. Wilson.

SAVE REGULARLY

It is regular saving that counts. A Savings Account with the Canada Permanent will help. You can make payments by cheque. Your deposits earn 2%. You have a fund always available to meet obligations and emergencies. You feel *secure*.

CANADA PERMANENT
Mortgage Corporation

Head Office: 320 Bay St., Toronto
Assets Exceed $67,000,000

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient locations—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE
Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

Fly

Regular schedules and charter flights ... modern planes ... courteous service.

Montreal • Quebec • Chicoutimi
Gulf and North Shore of St. Lawrence
Roberval • Northern Quebec
Senneterre • Hudson Bay
Winnipeg • Bissett • Little Grand Rapids
Winnipeg • Red Lake • Madsen
The Pas • Sherridon • Flin Flon
Regina • Saskatoon • North Battleford
Edmonton • Fort Norman • Aklavik
Edmonton • Yellowknife
Edmonton • Whitehorse • Dawson
Vancouver • Whitehorse • Dawson
Vancouver • Victoria
Vancouver • Tofino • Zeballos • Port Alice

Connections with rail and air lines ... bases across Canada. Information and reservations through nearest Canadian Pacific Air Lines Traffic Office or any Canadian Pacific Railway agent.

Canadian Pacific
AIR LINES

United States
Fidelity & Guaranty
Company
TORONTO

"Consult your Agent
or Broker
as you would your
Doctor or Lawyer."

FIDELITY
Insurance Company
of Canada
TORONTO

USING YOUR EYES TOO MUCH?

LET MURINE
EASE THEM!

Modern life makes big demands upon the eyes: but two drops of Murine will cleanse, soothe and refresh them when they are tired or irritated. Eyes are rationed—two to a lifetime—so take good care of them. There are seven important ingredients in Murine: let this safe, dependable lotion help your hard-working eyes; use Murine every day.

MURINE FOR YOUR EYES

Mortgages

N. H. A. Loans
Building Loans
Standard Mortgages
Existing Mortgages purchased or collected on agency basis
in the Greater Toronto area.

THE
STERLING TRUSTS
CORPORATION
Sterling Tower, Toronto 1
35 years in Business

BANKING IN ACTION

Tall chimneys pointing to the sky—acres of roofs and yards and railway sidings—busy machines producing streams of goods, from nails to automobiles. This is Canada's manufacturing industry—vital and expanding—its operations facilitated at every stage by Banking in Action.

CANADA'S swift rise to a first-rank manufacturing nation has been materially aided by "Banking in Action". Ever since its establishment in 1867 The Canadian Bank of Commerce has played a proud part in this magnificent record of progress.

What this Bank has done for its manufacturing customers, it can do for you, by way of loan or any other banking service.

To-day, as in the past, the Bank's services are available to all. Discuss your banking problems with the Manager of your local branch.

THE CANADIAN BANK OF COMMERCE

PLAYER'S MILD
Plain - have "Wetproof" paper which does not stick to the lips.

NAVAL CUSTOMS AND TRADITIONS NO. 6

STARBOARD: The word is derived from the old Saxon "steeraboard" or "steerboard" — an oar shipped at the right hand side of the ship's stern to act as a rudder. In to-day's Navy, Starboard indicates that side of the ship on the right hand of a sailor who stands on board facing the bow. It is the opposite of Port, formerly Larboard.

In The Best Of Tradition
It's Always

Player's Please

MILD or MEDIUM
CORK TIP and PLAIN

PLAYER'S NAVY CUT CIGARETTES

CANADA DRY
Sparkling
WATER
CLUB SODA

HERE'S HOW!

HERE'S HOW to point up tall drinks and keep them lively. Mix 'em with Canada Dry's SPARKLING WATER instead of tap water! Its "PIN POINT CARBONATION" keeps the tallest drinks full of zest. Take home a few bottles today. Serve well chilled.

CANADA DRY'S SPARKLING WATER

GILLIES LAKE PORCUPINE GOLD MINES has started diamond drilling group of 14 claims in McMurchy and Natal twps., Ont. Holes have been spotted with work under direction of Chas. S. Longley, consulting geologist for Paymaster Mines.

Recording 110 Years of Steady Growth

1836 1946

EXTRACT FROM 110th ANNUAL REPORT

Consolidated Balance Sheet at 31st December, 1945

(Sterling Converted at $5 per £)

ASSETS

CASH in hand and on deposit	$ 7,464,704
GOVERNMENT and MUNICIPAL SECURITIES British and Other	86,266,832
BONDS AND DEBENTURES Other than Government and Municipal	20,295,053
GUARANTEED AND PREFERRED STOCKS	10,390,048
ORDINARY STOCKS	11,033,897
ACCOUNTS RECEIVABLE—from Agents, Companies and Outstanding Premiums	12,465,955
REAL ESTATE	6,025,136
LOANS (Secured)	5,801,254
MORTGAGES	9,868,905
MISCELLANEOUS	1,336,036
	$170,947,820

LIABILITIES

RESERVES	
For unadjusted claims—Fire	$ 4,606,808
Casualty	4,576,934
Life	1,216,610
For unearned premiums—Fire	7,362,262
Casualty	4,812,640
MARINE FUND	14,491,908
LIFE, ANNUITY and END'T FUNDS	77,181,691
DEBENTURE STOCK	3,025,500
ACCOUNTS PAYABLE	4,436,470
OUTSTANDING CHARGES, Reserves for Taxes, Depreciation, Investments, Contingencies	22,112,770
STAFF PENSION FUNDS	3,684,747
MISCELLANEOUS	771,621
	$148,279,961
GENERAL RESERVE FUND	10,000,000
PROFIT and LOSS ACCOUNT	8,147,054
PAID-UP CAPITAL	4,520,805
	$170,947,820
SURPLUS TO POLICYHOLDERS (Apart from Life Funds)	$ 22,667,859
UNCALLED CAPITAL (Additional Security to Policyholders)	$ 18,074,745

Market Value of Stock Exchange Securities 31st December, 1945, is in excess of Book Value, less the relative Contingency Reserve.

THE NORTHERN ASSURANCE COMPANY
LIMITED

Aberdeen, Scotland London, England

Head Office for Canada: MONTREAL
ALEX. HURRY, Manager

WINNIPEG
V. H. Anderson, Manager

VANCOUVER
W. G. Gerrard, Manager

TORONTO
F. O. Lucas, Superintendent

FIRE • CASUALTY • AUTOMOBILE • SURETY

403

WHAT'S NEW IN BUSINESS

Aluminum-Plastic Panels

Aluminum panels with paper plastic core—an adaptation of honeycomb plastic radomes used to cover radar equipment in U. S. war planes—are the latest building material. Virginia Lincoln Corp. is putting it out at 20 cents a cu. ft., although its wartime original cost $70 for the same amount. A 4 ft. 8 in. panel, two inches thick, weighs just 48 lb., roughly half what cork would weigh. The panels look like a honeycomb covered on all four sides by thin strips of aluminum. With the honeycombs of impregnated paper forming thousands of locked air spaces between the front and back metal plates, the material is said to have excellent insulating qualities.

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Toe Hold For Cars

A Chicago railroad supply firm is testing promotion of its new device for helping automobiles get a grip on snow, ice or mud. Tire-Trac is an adaptation of the metal strips designed during the war to "pave" landing fields on bad terrain. It consists of a series of chain-linked metal plates (3 in. by 6 in. for passenger cars, 8 in. by 12 in. for trucks), spotted with suction cups on both sides to grip both road and tire. Tire-Tracs are simply laid in front of the rear wheels to provide a runway. By chaining the devices beforehand to the rear bumper, the motorist is enabled to drag them along after him until he can safely stop to roll them up and stuff them in the tool kit. Tire-Tracs, car size, sell for $4.50 in the U. S., truck or bus size, $15.

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Golf Range Finder

A new sportsman's gadget is a golf meter and club selector pencil. It is designed to do the golfer's thinking for him, tell him when to use a No. 4 instead of his favorite No. 5 iron. The golfer, however, still has to hit the ball himself.

• • •

Travels Air and Land

Nameless and strange looking is an aerial and land vehicle invented by George C. Thompson of St. James, Man. Hydraulic power folds the wings back along the fuselage when grounded. To come into take-off position, hydraulic jacks extend the wings, lift the fuselage above the wheels, and the propeller is thrown into gear. Inventor Thompson, a maker of artificial limbs at Deer Lodge military hospital, sees in his plane a utility vehicle for private fliers, since large airports will not be needed to accommodate it. He has patented the invention in both the U. S. and Canada.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

The Wawanesa
Mutual Insurance Company
ORGANIZED IN [illegible]

Admitted Assets	$5,833,185.28
Surplus	3,039,566.10
Dom. Govt. Deposit	2,292,892.17

Write for Financial Statement

Head Office WAWANESA Man.
Eastern Office TORONTO Ont.

Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

• • •

Washable Wall Covering

In tests, Varlar, United Wallpaper Inc. stainproof wall covering, is reported to have stood up under 25,000 washings with soap and water. Its stain resistance runs the gamut through grease, oil, inks, and crayons. Varlar also claims to be fadeproof mildewproof, verminproof, fire resistant, salt water resistant. Canadian production by Trimz Co. of Canada Ltd. is expected under way this month. Base list price of the covering—available in 90 styles—will approximate 15 cents a sq. ft.

• • •

For Stripping Wire

A new model automatic stripper to speed the electrician's work by clamping, cutting the insulation and stripping wires, solid or stranded, from No. 10 to No. 22, in a single operation has been marketed in the United States by Holub Industries, Inc. Pocket size, with renewable blades, the stripper cuts clean without nicking or cutting the wire itself. Available through wholesalers of electrical equipment in the U. S., the list price there is $6., U. S.

• • •

Scornful of House Organs

Organized labor regards most company employee publications as "social gossip sheets of no practical value," reports Advertising Age from Chicago. A recent study by management consultants Newcomb & Sammons indicates these causes for the lack of effectiveness of house organs in the opinion of labor: untrained editors, low salaries, lack of clear-cut management policies, insufficient editorial contact both at executive level and with the field, inadequate budgets, and belief by management that employees prefer chit-chat to forthright discussion and explanation of company policies. According to the report no more than 25% of such publications interpret the company or its policies.

• • •

New 35 mm. Challenger

The Clarus 35 mm. camera, equipped with f2.8 lens and shutter speeds up to 1/1,000th, is the latest United States-built challenger in the miniature camera field, dominated pre-war by Germany's Leica and Zeiss instruments. The Clarus is built up from three die-cast body sections. Its shutter parts are all treated with a corrosion-resistant finish, its curtain is of nylon, coated on both sides with natural rubber.

• • •

Safer Railway Colors

Canadian railways are reported increasing use of paint as a safety aid. CPR is experimenting with yellow handrails on cabooses, to help focus the trainman's eye automatically, reduce his chances of a miscue when hopping aboard. Also in the caboose department, CNR practice has abandoned traditional box-car red in favor of higher visibility orange, to mark the end car of a long freight.

• • •

Black Light Photography

Devolite photographic printing paper, just announced in the United States, permits making of contact prints under normal lighting conditions in office, factory or home without special equipment. Devolite paper is coated with a dye-sensitized emulsion keyed to a narrow range of invisible light and de-sensitized to ordinary light. A special bulb in the printer can be used, or a simple printing frame in ordinary white light, will expose the print. Conventional chemicals are used in developing, with a dye added to exclude ultra-violet during the process.

Will Promote Town Planning

Ottawa, Provinces, Professional Groups Form National Association

OTTAWA (Staff) — Community Planning Association of Canada came into being recently, following a round-table conference called by officials of Central Mortgage & Housing Corp. The new association will apply for a Federal charter to operate as a nonprofit educational organization looking toward greater interest and knowledge on community planning in Canada (The Financial Post, June 1 and 8).

Basis of the Ottawa meeting was the responsibility vested by Parliament in the CMHC for community planning. This responsibility has been dormant for many years although under Part V of the National Housing Act, Ottawa was supposed to be the spearhead for community planning in Canada. Now that CMHC has taken over the NHA, an effort is being made to create a national body for public and professional study and development of community planning in all its phases. The Ottawa conference was chaired by Hugh Young, vice-president of CMHC. In attendance were representatives from most of the provinces; from professional bodies such as Royal Architectural Institute, Engineering Institute, Town Planning Institute, Canadian Welfare Council, labor organizations, etc.

May Publish Magazine

As now to be organized, the Association plans to have provincial branches and municipal sub-branches. Membership will be open to associations at $25 a year; to individuals at $3 a year. It is planned eventually to issue a monthly magazine on community planning, plus weekly bulletins, radio and film material. The only criterion for membership is to be an interest in community planning. Broad purpose will be to establish ways and means of fostering Community Planning throughout Canada, especially with the general public. It was felt that in the past, community planning has been to closely in the hands of professional groups such as architects, etc. with not enough public participation.

Achievement of the Ottawa meeting was to bring various interested persons together for the first time. The meeting also was unanimous in approving plans for organization of the new association. It is expected that the executive committee of the association will be chosen in the first instance from the representative bodies and governments which attended the meeting.

National Grocers Co. Expansion Continues

The postwar expansion and improvement program of National Grocers Co. is continuing, President H. L. McNally told the annual meeting. New warehouses at Lindsay and Brampton are completed and renovations are under way on the Chatham warehouse. Including newly purchased transport equipment the company now has 180 trucks.

Directors have discussed refunding of the present preferred stock but no decision has been reached. In view of the present expansion program, refunding might be considered inopportune at present, the president told the meeting.

CHARLES F. HILL

has been elected president of Carrier Engineering Ltd., with headquarters in Toronto.

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LIMITED
STEEL ENGRAVERS AND PRINTERS
of
Bank Notes, Bonds, Stock Certificates, Postage and Revenue Stamps
and all Documents of a Monetary Character

Head Office: 224 Wellington Street, Ottawa

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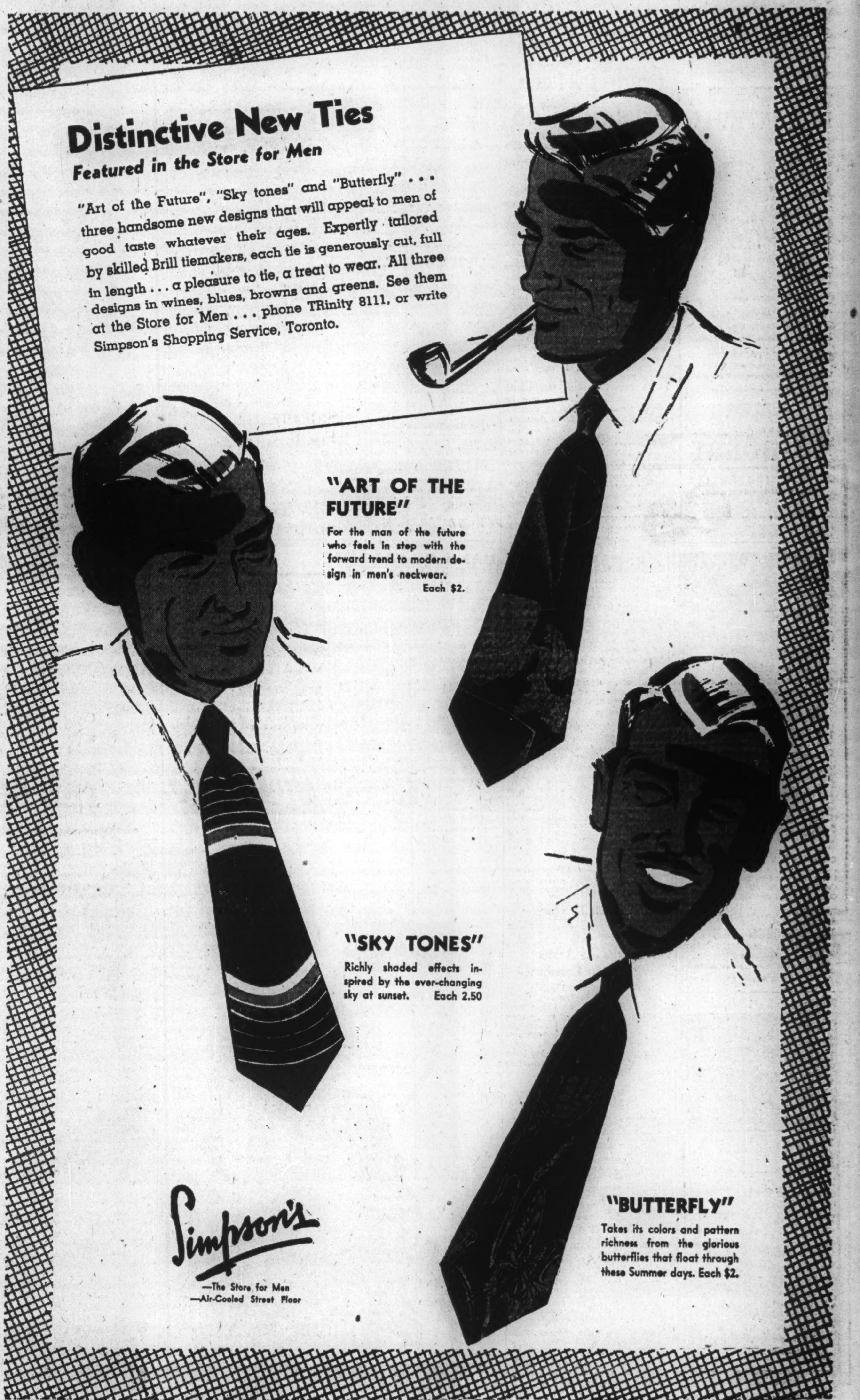
BUY WAR SAVINGS STAMPS AND CERTIFICATES



Distinctive New Ties
Featured in the Store for Men

"Art of the Future", "Sky tones" and "Butterfly" . . . three handsome new designs that will appeal to men of good taste whatever their ages. Expertly tailored by skilled Brill tiemakers, each tie is generously cut, full in length . . . a pleasure to tie, a treat to wear. All three designs in wines, blues, browns and greens. See them at the Store for Men . . . phone TRinity 8111, or write Simpson's Shopping Service, Toronto.

"ART OF THE FUTURE"
For the man of the future who feels in step with the forward trend to modern design in men's neckwear. Each $2.

"SKY TONES"
Richly shaded effects inspired by the ever-changing sky at sunset. Each 2.50

"BUTTERFLY"
Takes its colors and pattern richness from the glorious butterflies that float through these Summer days. Each $2.

Simpson's
—The Store for Men
—Air-Cooled Street Floor

Breithaupt
DRI-BREIT
SOLE LEATHER
Is Watertight AND Wears like iron

THE BREITHAUPT LEATHER CO. LIMITED
Kitchener, Ont.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Normal Tax Disappears

In the recent budget no mention is made of any change in the rate of normal tax, but new graduated tax rates are announced. What is the situation?

The former normal tax will be discontinued after Jan. 1, 1947, and both it and the graduated tax will be replaced by a single schedule of graduated tax rates applying on the excess over the new exemptions of $750 for a single person, $1,500 for a married one.

Family Allowances

Under the new income tax regulations, what is the position of family allowance payments; are they considered income for tax purposes?

No. Family allowances are not considered income for tax purposes but they cut down the exemption a taxpayer gets on account of his eligible children, regardless of whether or not he applies for the allowance.

INVESTMENTS

Winnipeg Electric

Has the Winnipeg Electric deal with the City of Winnipeg fallen through or is it still held in abeyance?

The City Council of Winnipeg vetoed a proposal to buy out the Winnipeg Electric Co. assets for $56 millions. This would appear to end for the time being the negotiations regarding acquisition of the company by the City.

Even while negotiations were on, there was apparently some doubt as to whether ratepayers would approve of the acquisition, as would be necessary before it could become effective.

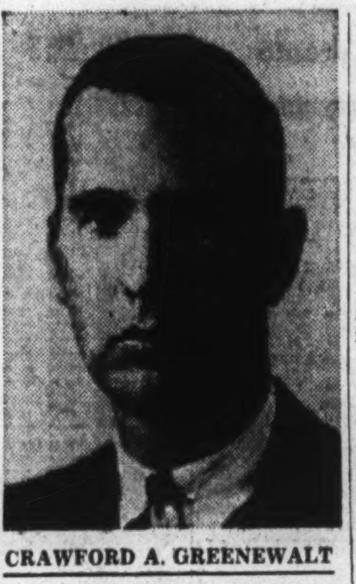
You will find an item regarding the Winnipeg Electric Co. deal on page 4 of The Financial Post of June 29, 1946.

Sandwich West

Please advise me on the financial standing of Township of Sandwich West and also if one can expect a settlement of their debentures, overdue since Dec., 1945?

Preliminary discussions are taking place between the debentureholders' committee for the township of Sandwich West and the Ontario Department of Municipal Affairs with a view to working out a permanent plan of reorganization, The Financial Post understands. As soon as sufficient progress has been made, it is expected bondholders will be informed.

Net general debenture debt of the township at Dec. 31, 1945, was $2,882,063 or $521.74 per capita while the assessed value for taxation amounted to $2,490,450 or $450 per capita. This would seem to indicate that it may be difficult to work out a plan of reorganization. In 1945 the township levied $107,948 in taxes. Total collections were only 92.7% of the levy, $100,153.



CRAWFORD A. GREENEWALT

has been appointed a director of Canadian Industries Ltd.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

As an additional free service similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 54 foreign countries. Please send your announcements to the same address.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact business firms directly and immediately.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below and please give the code number preceding the item.

CM189, BRAZIL—Electrical mechanical engineer seeks contact with Canadian firms manufacturing automotive cylinder grinding machines and tools, preferably of the portable type, automotive replacement parts, especially pistons and piston rings, and brass rods of 8.3 mm. diameter suitable for machining on high-speed lathes. Details, descriptive literature and prices are requested, as well as available delivery dates.

CM190, AUSTRALIA — Engineer of municipal water commission seeks information regarding prices and delivery dates on earth moving equipment, for future purchase.

CM191, SALVADOR — Firm of importers and exporters, also engaged in producing coffee, coconuts, cereals, cattle, etc., desires to import sugar mill machinery from Canada. The firm acts as contractors, wholesale and retail dealers, and already represents some well-known United States manufacturers of agricultural machinery, engineering products and machine tools.

CM192, BRAZIL—Importing firm, now purchasing in England and the United States, seeks Canadian export prices for the following: Asbestos mechanical packing, compressed asbestos sheet packing, calcium carbide, brass and copper rods, industrial wires, boat oars, wire rope fittings, such as thimbles, straining screws, mortise blocks, shackles, etc. Details are requested on quality, prices and delivery dates.

CM193, CUBA — Sugar company asks Canadian quotations on 3,000 arsenical copper tubes, for cane sugar evaporator, gauge 16, 0.072 in. wall thickness, 2 in. 0. diameter and 84 in. long. Bank references given.

G98, ARGENTINA — Commission agent requests details, including descriptions and prices, on economic prefabricated houses.

G99, TRINIDAD — Manufacturers' representative desires to represent Canadian manufacturers or suppliers of the following: Hardware, electrical appliances, building materials and equipment, crockery, glasswares, bedsteads and steel (iron) cots. Already represents several Canadian and British firms. Bank references given.

D125, INDIA — Firm of general merchants and order suppliers seeks sole agency for India of Canadian manufacturers of the following: woodworking machines, grinding machines, machine tools, boilers, steam generators, electric motors, transformers, steel plate, metals and alloys, precision instruments, plastic rods and tubes, and allied products. The company is in touch with the market and has salesmen and qualified mechanical and civil engineers on its staff. Is prepared to handle any kind of business and offers also to act as purchasing agent in India for Canadian firms.

Sales Increase For B.A. Oil Co.

Sales of British American Oil Company products for the first half of 1946 are substantially above those for the same period last year, President W. K. Whiteford states.

Postwar consumption of motor gasoline has exceeded all estimates and company refineries are producing to their fullest capacity to meet this demand. The program of expansion for both refineries and service stations is being severely curtailed because of continuing shortage of materials due to strikes and general labor unrest, Mr. Whiteford says. In addition to materials shortages, transportation tie-ups, such as the recent stoppage of lake shipping, have added to the industry's difficulty in supplying not only motor fuel, but what is more serious, heating oil and bunker fuel oil for the winter season ahead, the president states.

New Financing Planned by Bell

Bell Telephone Co. of Canada plans to raise funds soon through an increase in its outstanding common stock capitalization, The Financial Post is informed. As in the past, the new stock will probably be issued on a rights' basis. At the moment the company has outstanding some $87 millions of common stock, par value $100, while authorized amount totals $150 millions. Any stock issue is subject to approval of the Board of Transport Commissioners as to the amount, terms and disposition. As yet no request for permission has been made, it is understood.

The proposed issue will be a financial operation additional to the authority received by the company from shareholders on May 5 to issue $35 millions of new bonds. Proceeds will be used for construction of new plants, central offices, local and long distance cables and in new technical developments such as telephones in moving vehicles, etc.

HYDRO - ELECTRIC POWER COMMISSION OF ONTARIO shows a decrease of 2.8% or approximately 66,000 h.p. in primary power loads for May from the corresponding month of last year. The combined primary and secondary loads also show a drop of 1.8% for the same period.

Maximum 20-Minute Peak H.P.

	May 1946	May 1945	% Incr.
Primary Loads:			
South. Ont. ..	2,033,904	2,072,097	— 1.8
Thunder Bay	130,831	121,984	+ 7.3
N. Ont. Prop.	191,802	229,118	—16.3
Total	2,356,537	2,423,199	— 2.8
Primary & Secondary Loads:			
South. Ont. ..	2,152,000	2,172,914	— 1.0
Thunder Bay	152,145	136,595	+11.4
N. Ont. Prop.	256,708	297,885	—13.8
Total	2,560,853	2,607,394	— 1.8

VIRGINIA DARE LTD. new issue of 16,000 5% cumulative redeemable preference shares, par $25, is being offered at par by R. A. Daly Co. Proceeds are to augment working capital and to provide for future expansion. Net profit, including refundable EPT for 1942 to 1945, has averaged $1.50 a preferred share for the 10 years form 1936 to 1945. The company is controlled by N. M. Davis Corp. Directors are:

N. M. Davis, chairman of the board; Alfred Stock, president and general manager; G. K. Sheils, C.M.G., vice-president; G. I. Taylor, secretary; J. P. Walwyn, M. D. Davis, G. A. Otto.

Linseed Oil Shortage Hits Output of Paint, Varnish

MONTREAL (Staff) — Whether Canadian users of linseed oil will have to cut back production because of the acute demand-supply situation in this raw material will be determined within the next two months, The Financial Post is informed.

Principal consumers affected would be paint manufacturers, using perhaps two thirds of the total supply, and producers of linoleum and felt based hard surfaced floor coverings, using the balance.

Only recently the Armstrong Cork Co., producers of approximately one third of the U. S. linoleum supply, announced that operations during July and August would be reduced to 50% of the rate maintained for the first five months of this year, because of acute linseed oil shortages.

Present supply bottleneck will probably be broken in September when this year's flax crop will be harvested, but until that time Canadian users of linseed oil concede that they will have their fingers crossed. They are now being limited to 70% of what they consumed in the 1940-1941 period. To date they have been able to get their quota of this critical oil although the 75% U. S. quota is said to represent "hunting licenses" with no guarantee of availability.

The summer months will undoubtedly be the testing period for Canadian consumers of linseed oil as on Aug. 1, the farmers will receive a 50c. per bushel price boost for their flaxseed and it may well be, The Post is informed, that between now and then the supply situation will deteriorate with possible quota cuts. Should the industry get by this period, however, the outlook for the remainder of the year will become more reassuring as the 1946 crop, worth $3.25 a bushel to the farmers, is expected to total 74.78 million pounds, a reasonable production level.

The supply situation, however, remains complicated by the fact that the shortage in linseed oil has been brought about largely by shortages in other fats and oils. This year some ten million pounds of Canadian linseed will be diverted for edible fats purposes, it is understood.

Though the position in Canada is serious, it is considered to be much better than in the U. S. There the situation has been made acute by inability to get as large supplies from Argentina as was anticipated.

Earlier producers reports that the U. S. had been able to purchase 30% of the harvested flaxseed crop in Argentina, chief supplier of the commodity, are now being challenged by recent intelligence that the Soviet Union has garnered a good portion of the 100 million bushels said to be available there.

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FINANCIAL POSITION DECEMBER 31, 1945
Assets
$16,015,082
Liabilities to the Public
$10,087,972
Capital
$1,400,000
Surplus Above Capital
$4,527,110
Losses Paid Since Organization
$145,045,361

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THE WEEK'S QUOTATIONS

Montreal and Toronto
Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 5

Range 1946 High	Low	Div. R'te $	July 5 Y'ld %		Sales	Last June 28	Week end. July 5 H	L	Cl'se
22¾	14	.	...	Abitibi	7892	19½	20	18½	19
21½	17½	.	...	Do. $1.50 pf n	3700	18½	19	18½	18¾
40½	37½	.	...	Do. $2.50 pf n	110	38	38½	37½	37½
24	20½	1.00	4.4	Acadia Atlan A	945	22	22½	22	22½
107	103	5.00	4.7	Do. 5% pref.	70	106½	107	104¾	107
12	9½	.	...	Acme Glove	50	10	9½	9½	9½
41½	28	1.80	4.7	Agnew Surp.	95	38	38	38	38
26	21		...	Algoma Steel	695	22	22	21	22
103	100	5.00	5	Do. pref.	255	100	100	100	100
27	26	1.00	3.7	Alum of C p4%	1185	26¾	26½	26¾	26¾
230	129½	8.00	3.8	Aluminium	186	215	216	212	212
12	8½		...	Argus	2195	9¾	9¾	9	9
105	98½	4.50	4.5	Do. 4½% pref.	110	99½	99½	99½	99½
2.65	1.00		...	Do. Warr.	397	2.50	2.50	2.00	2.25
35	30	.80	2.6	Asbestos	475	30½	31	30½	31
18	12½	.60	3.8	Ashdown Hdwe	395	16½	16½	16	16
78	55	1.00	1.5	Atlas Steels	25	70	69	69	69
26¾	18½	.70	3.5	Bk. Can. Nat.	225	20½	20¾	20½	20½
27½	21½	.80	3.1	Bk. Montreal	1095	26	26½	26	26½
40	28½	1.20	3.1	Bk. N. Scotia	295	38½	39½	28½	39
37½	33	1.00	2.7	Bk. Toronto	305	37	37	37	37
24¾	19	1.00	4.4	Bathurst Pr. A	2255	23	23	22½	22½
8	5½	.	...	Do. (B)	155	6	6½	6½	6½
51½	39	2.00	4.4	Beatty Bros A.	120	49	47	47	47
28½	19½	1.00	3.7	Beaver Lumber	21	28	27	27	27
165	140	▪7.00	...	Belding Cort.	42	165	165	160	165
216	181	8.00	3.9	Bell Telephone	429	206	207½	205	206
23½	22	.	...	Bertram & Son	70	22½	22	22	22
8	6	.	...	Do. (B)	30	6	6	6	6
25½	23	1.00	4.4	Biltmore H pA	15	23½	23	23	23
60	55½	2.50	4.5	Blue Ribbon, p	23	58	55½	55½	55½
16½	10	.	...	Brand. Hender.	23	14½	14½	14	14
18	15	▪.25	...	Brant Roofing	15	18	18	18	18
30¾	21¾	▪1.00	...	Brazilian Tr.	5275	22¾	23	22	22½
16½	12½	.50+.20	4.4	Brew & Distil	18	15¾	16	15½	16
19½	6½	.	...	Bright, T. G.	25	19	19½	19½	19½
28½	25½	1.00	3.5	Brit. Amer. Oil	1001	27½	28½	27½	27¾
5½	3¾	.	...	B.C. Forest Pr	5870	4½	4½	3¾	4
17½	16	.	...	B.C. Packers A	175	65	68	65	67
11¾	10	.	...	Do. (B)	1120	16¾	16¾	16½	16¾
78	58½	.	...	B.C. Pulp & Pa	610	11¾	11	10	10½
38	27	1.60	4.7	B. C. Power A.	338	32	32½	32	32
5½	3½	.	...	Do. (B)	450	4½	4½	4	4½
8¾	5½	.	...	Brown Co.	2205	6	8¾	5¾	6
104½	84		...	Do. pref.	51	87½	87½	85	87¾
29½	19½	.80	2.8	Bruck S. Mills.	200	27¾	28½	28	28½
35	23½	1.00	2.9	Building Prod.	397	34¾	35	34½	34½
15	12½	.60	4.4	Burlington Steel	270	13½	13¾	13½	13½
26¾	22	.	...	Burns & Co. A.	76	26½	26½	26½	26½
17	11½	.	...	Do. (B)	314	15½	16	15½	16
11½	8½	.	...	Butterfly	275	9½	9¾	9½	9¾
2.40	1.80	.	...	BC Turf & CC	3125	2.15	2.10	1.95	2.10
9½	6½	.10	1.5	Canada Bread	3725	6¾	8	7	7¾
108½	102½	4.50	...	Do. pref.	80	108	108½	107½	107½
23½	14¾		...	Canada Cement	1550	22	22	20	20
155	130	6.50	4.3	Do. pref.	774	150¾	151	150	150½
111	106½	5.00	4.6	Canada Cycle p	10	109	109	109	109
29¾	23	.80	3.4	C. & D. Sugar	1260	23½	24	23½	23½
22½	15	▪.80	...	Can. Iron	145	21	21½	21½	21½
18	12	.60	3.8	Do. pref.	43	15½	16	16	16
62½	52½	2.00	3.2	Can. Malting	95	62	62	62	62
14½	9½	.60	4.9	Can. Nor. Pr.	25	12½	12½	12	12½
112	109	7.00	6.3	Do. pref.	30	111¾	111	111	111
44½	36	1.50	3.4	Can. Packers A	15	43½	43	43	43
22	17½	.50	2.5	Do. (B)	450	20	20½	19½	20
205	178	8.00	4	Can. Perman.	20	202	202	200	202
23	17½	1.00	5.3	Can. Steamsh's	175	18¾	19	19	19
53	47¾	2.50	4.9	Do. pref.	296	50½	52½	50½	51½
99¾	82½	4.00	4	Can W Cable A	105	97½	99¾	99	99½
30	23	1.00	3.7	Do. (B)	300	29	28	27	27
111	106½	6.50	6	Do. pref.	269	107¾	107¾	107¾	107¾
12	9	.	...	Can. Bakeries	30	11½	10½	10½	10½
24	18½	.80	3.4	Can. Bk. Com.	1435	23¾	23¾	23	23½
28½	20	1.25	4.6	Can. Breweries	5623	25½	26	25	25½
60	47	1.50+.50‡	2.9	Can. Bronze	55	52	52	51¾	51½
110	108	5.00	...	Do. pref.	50	109	109	109	109
32½	22½	▪.86½	...	Can. Canners	280	28	30½	28½	29
32½	22	1+.20‡	3.2	Do. 1st pfd.	100	30½	30½	29	29
20½	20½	.80	4.8	Can. Car & F'y	630	16¾	17	16½	16½
23	21	▪.25	...	Do. pref. A	980	21½	21½	21	21½
69	50½	1.00	1.5	Can. Celanese	350	67	66	64½	66
44½	40½	.	...	Do. pref.	405	42½	41¾	41¾	41¾
28¾	22	1.00	3.7	Do. Rights	82	23½	26¾	26¾	26¾
31	27½	1.20	3.9	Can. Cottons pf	165	31	31	31	31
30½	24½	.	...	Can. Dredge	5	27	28	28	28
40½	28½	.	...	Can. Fairb.	40	39¾	40	39¾	40
83	30	3+.50‡	8	Can. For. Inv.	55	37½	37	37	37
20¾	12	.50	2.6	Can. Food	370	19	19	18½	18½
24	19½	1.00	4.4	Do. (A)	210	23	23	22½	22½
18	15¾	.60	3.6	Can. G. Inv.	42	17	16½	16½	16½
27	16½	▪.25	...	Can. Ind. Alc.	4540	24	24¾	24	24
26¾	13½	▪.25	...	Do. (B)	1950	22½	23	21½	22½
262	169	▪4.75	...	Can. Indust. B.	20	249	241	241	241
70	63	2.00	2.9	Can. Inger. Rd.	10	69	68	68	68
9	4½	.	...	Can. Int. I. Tr.	100	5½	5¾	5¾	5½
40	28	▪1.00	...	Can. Locomo.	1170	34½	35	34	34½
5½	3½	.04	1.1	Can. Marconi	1750	3½	3½	3½	3½
19	13½	.60	3.5	Can. Oil	275	17¾	17½	17	17
20¾	19½	▪.75	...	Can. Pacific	3978	21½	21¾	21	21
4	1¾	.	...	C. Pr. & Pa In	705	3½	3	2¾	2¾
39	26½	.80+.05‡	2.4	Can. Tire	65	35	35	34	34
48¾	21	.	...	Can. Vickers	316	41½	41½	41	41½
174	97	.	...	Do pref.	1030	172	172	172	172
28½	22	▪1.00	...	C. Wallpaper B	50	26½	26½	26½	26½
3.80	2.20		...	C. W. Lumber.	10850	3.37½	3.75	3.00	3.25
62	54½	2.00	3.6	Can. West'ho'se	15	55	55	55	55
30	25½	1.50	5.4	C. Wire Box	125	28	28	28	28
9.25	8.30	▲▪.15	...	Capital Estates	126	9.25	9.25	9.10	9.10
20	16	▪.30	...	Catelli Food	147	20	19½	19½	19½
188	185	8.00	4.3	Cent. Can. L'n.	5	172	185	185	185
16½	7	.25+.10‡	2.5	Ch. G Wines	230	10½	10	10	10
1.90	.43	.	...	Chem Research	9650	.73	.70½	.65	.65
.90	.40		...	Claude Neon	500	.55	.55	.50	.50
75	60		...	Do. pref.	52	67	70	68	68
3.20	2.47	.12	3.2	Coast Brew	680	3.65	3.70	3.65	3.70
19	15½	▪.50	...	Cockshutt Plow	175	16½	16½	15½	16½
6½	4	.20	4	Comm. Alcohol	1600	5	5	4¾	5
8½	7	.40	5.6	Do. pref.	25	7	7½	7½	7½
22	16½	.80	3.9	Cons. Bakeries	180	20½	20½	20	20½
1.20	.50		...	Cons. Div. Sec.	50	.80	.80	.80	.80
20	11	.75	3.9	Do. pref.	16	19	19	19	19
22½	15½	▪.50	...	Cons. Paper	10763	19½	20	19	19
103	78	▪2.25	...	Cons. Smelters.	2419	99	100	97½	98½
188½	154½	8.00	4.6	Consumers' Gas	22	179¾	179	175	175
50	41½	2.00	4.1	Consum. Glass.	145	49	49	47	49
22½	8	.	...	Corr. P. Box	15	20	20	20	20
32	28½	1.20+.15‡	3.9	Cosmos Imp	300	31¾	32	31¾	31¾
8½	7¾	▪.20	...	R. L. Grain	375	7¾	8	7¾	8
120	95	▪5.00	...	CCres Cream p	10	109	110	110	110
53	47½	2.00	3.9	Crown Cork	45	51	52	51½	52
54¾	48	3.00	6.1	Crow's N. Coal	8	48	49	49	49
3.00	1.60	.	...	Cub Aircraft	1375	1.90	2.00	1.75	2.00
7½	3	.	...	David & Fre B	15	6½	6	6	6
34	29½	1.50	4.6	Davis Leather	300	33	33½	33	33
16½	13¾	.70	4.6	Do. (B)	60	15½	15½	15	15½
20	7	.	...	De Havilland	150	18	18	17	18
21	18½	†1.50	...	Disher Steel, p	40	20	21	21	21
27	22½	.	...	Distill-Seagram	11750	25¾	27	26	26¾
30	24½	1.00	3.3	Dom. Bank	170	30	29¾	29¾	29¾
45½	39¾	1.20	2.9	Dom. Bridge	280	42	41½	41½	41½
22	13½	▲2.25	...	Dom. Coal, pf.	1135	20	20	19½	19½
14	10	.	...	Dom. Dairies	210	10	12½	12	12
35¾	28½	1.75	5	Do. pref.	125	34½	35	35	35
8½	6	.	...	Dom. Electro	105	7	7	7	7
62	44¾	2.00	4	Dom. Engineer	18	55	54	50	50
19½	14	.80	4.7	Dom. Fabrics	20	19½	17	16	17
29½	27	1.50	5.1	Do. 2nd pref.	20	28	29½	29½	29½
32	21	1.40	4.3	Dom. Foundries	390	32½	32½	31¾	31¾
51	47	▪.25	...	Dom. Glass n.	325	50½	51	50½	51
45	39¾	1.20+.40	3.7	Dom Oilcloth	25	43	42¾	42¾	42¾
30	17½	.80	2.7	Dom. Malting	2325	30	30	30	30
7	4½	.	...	Dom. Scot. Inv.	15	5¾	5½	5½	5½
50	45	▪1.50	...	Do. pref.	5	49	46	46	46
27	18¾	.	...	Dom. Square	10	27	27	27	27
23	12½		...	Dom. St. & CB	3861	21½	21½	19¾	20
28½	21	▪.70	...	Dom. Stores	295	28½	28	28	28
32½	23	▪.75	...	Dom. Tar & Ch	595	28	28	27¾	28
28	24¾	1.00	4	Do. pref.	105	25	25	24¾	25
28½	23½	▪.50	...	Do. V.T.	1175	28	28	26¾	28
120	90	5.00	4.6	Dom. Textile	230	109	110	108	108
184	165	7.00	3.8	Do. pref.	10	184	184	184	184
20	12	.80	4.1	Dom. Woollens	1617	19½	20	19	19
103¾	102	4.50	3.9	Donnacona P.	380	102	103½	102½	103½
21¾	15	▪.25	...	Do. com.	7150	17	17¾	16¾	17
24	23¾	.	...	Donohue Bros.	50	23	23	23	23
19½	13	.	...	Dryden Paper	400	16	16½	16½	16½
15½	10¾	▪.40	...	East Steel, new	1365	13¾	13¾	12½	12¾
15¾	14	.50	3.2	Easy Washing	15	15¾	15½	15½	15½
47½	42½	▪1.20	...	Economic Inv.	40	45	44	44	44
22½	16	▪▲1.00	...	Electrolux	455	22½	22½	22	22
36	25	1.00	3.2	English Electric	50	30	31½	31	31½
13¾	7		...	Do. (B)	202	8½	9½	8½	8½
6	3½	*.25	...	Fairchild Air.	215	4	4	3¾	3¾
20	15	.60	3.1	Famous Players	4970	19½	19½	18¾	19½
66	48¾	▲1.50	2.5	Fanny Farmer.	465	60	60½	59	59
9½	5½		...	Federal Grain.	50	7¾	7¾	7¾	7¾
120	89	▪4.00	...	Do. pref.	115	108	108	104	104
8	4	▪.25	...	Fleet Aircraft	1045	6	6	5½	5½
32¾	20	1.00	3.8	Ford Motor A.	908	25¾	26½	26	26½
1.25	.40	.	...	For. Pr Secs.	200	.65	.65	.65	.65

Range 1946 High	Low	Div. R'te $	July 5 Y'ld %		Sales	Last June 28	Week end. July 5 H	L	Cl'se
18	12	.	...	Do. pref.	25	12	13¾	13¾	13¾
34	28¾	1.40	4.5	Foundation Co.	110	32	32	31	32
75½	53½	▪2.00	..	Fraser Cos.	1195	67	67	65	65
12½	11½	.	...	Gord McKay A	1880	11¾	12	11½	11¾
25	15½	.	...	Do. pref. (B)	200	24½	24½	24½	24½
20	13½	▪.75	...	Gatineau Pwr.	275	19	19	19	19
111	105	5.00	4.5	Do. pref.	65	110	110½	109½	109½
111	106	5.50	5	Do. 5½% pref.	10	110¾	111	111	111
17	9	.	...	Gen. Prod. A.	100	14	17	17	17
20¾	18	.80	4.4	Gen. St. Wares.	485	18½	18½	18½	18½
109	105	5.00	4.6	Do. pref.	30	108	108	107½	107½
36	24	▪.75	...	Godfrey	5	33	36	36	36
125	99½	▪2.00	...	Goodyear Tires	130	120	116	115	116
58	52½	2.50	4.8	Do. pref.	10475	52½	52½	52½	52½
22	17½	.	...	Grafton (A)	290	21¾	21¾	21½	21¾
35	15	▪.50	...	Gt. Lakes Pap.	375	28	29	28	28
70	42	1.50	2.3	Do. A & B	165	65	65	64	64
15½	11¾	.	...	Gt W Saddlery	10	12	13	13	13
13	6	.	...	Gurd. Chas.	35	13	13	12½	13
18½	14½	.	...	Gypsum, Lime.	1221	17	17½	16½	17
10	5½	.	...	Hahn Brass	5	9½	9½	9½	9½
21	19½	1.00	4.8	Do. pref.	60	21	20½	20½	20½
21½	16¾	.80	3.8	Halifax Fire	25	21	21	21	21
14½	9½	.	...	Ham. Bridge	1046	10	10½	9¾	10
21	18¾	.90	4.5	Hat. Cot., pf.	110	20½	20	20	20
16½	11	.30	2.2	Harding Carpet.	110	13½	13½	12¾	13
39	23¾	*.50	...	Hayes Steel	75	30½	29½	29	29
25½	21½	1.00	4.3	Hinde & Dauch	475	23½	23½	23½	23½
38	20½	1.00	2.8	H. Smith Pap.	740	37¾	38	36	38
53½	52¾	2.00	3.8	Do. pref. new	210	52¾	53	52½	53
15	10½	▪.20	...	Hunts (A) new.	325	13	13¾	12	12
30½	26	1.00	3.3	Imperial Bk.	555	30	30½	30	30
17¾	13½	.50	3.5	Imperial Oil	6119	14	14¾	14	14½
16	13¾	.40+.15‡	2.9	Imperial Tob	1624	15½	15½	15½	15½
8¾	7½	6%	4.5	Do. pref.	2950	8½	8½	8½	8½
17	13	.60	3.6	Imp. Varnish	40	16½	16½	16½	16½
37	32	*.50	...	Indust. Accept.	270	34½	35	33½	33½
85	75	3+1‡	3.5	Inter-City Bak.	113	84½	85	84½	85
29¾	17½	▪.65	...	Inter. Bronze	145	27	27½	27½	27½
40	33	1.50	3.8	Do. pref.	530	39½	40	39	40
45	35	*.03	...	Int. Coal & Co	10100	45	42	39	40
35½	29¾	▪1.20	..	Int. Metal Ind.	475	34	35	34	34½
105½	102½	4.50	4.3	Do. pref.	35	104½	104½	104¾	104½
47	39	▲1.60	3.8	Int. Nickel	2985	42	43½	42½	43
59	45			Int. Pap. & P.	2800	52¾	52	50¾	50¾
144	120	▲5.00	3.9	Do. pref.	23	128	129	128½	129
27¾	18	▪.25	...	Int. Pete.	2940	18¾	18¾	18½	18½
60	44	.	...	Int. Power	100	55	56	55½	55½
18¾	14½	▲▪.20	..	Int. Util., new.	15	16	16	16	16
15	9½	▪.25	...	Invest. Found.	180	14	14	14	14
16½	12½	.68	4.5	Jam. Pub. Ser.	5	15	15	15	15
140	118	7.00	5	Do. pref.	5	140	140	140	140
13¾	9½	*.25	...	John Inglis	200	12½	12¾	12¾	12¾
16	14½	.68	4.4	Jourl. Pub. Ott	25	15½	15¾	15¾	15¾
30	23½	*1.00	..	Kelvinator	10	27	28	27½	28
28¾	24½	1.00	3.6	Labatt, John	1625	27½	28	27½	28
85¾	57	▪1.00	..	L. St. John Pr.	198	78	80	80	80
37½	29	1.20	3.3	Lake of Woods.	195	36	37	36	36
12½	8½	.	...	Lambert, Alf.	25	12	11½	11½	11½
25	17	1.00	4.2	Lang, J. A.	425	24½	24½	24	24½
24	19½	.80	3.6	Laura Secord.	150	21	22	21	22
34½	27½	1+.25‡	2.9	Loblaw (A)	245	34	34½	34	34
34	26¾	1+.25‡	3.1	Do. (B)	115	33½	33½	33¾	33½
15	12½	.50	3.9	Lowneys	200	13	13	12	13
19½	16½	.	...	MacMillan Ex	50	19½	19	19	19
85	70	.	...	Mackin Steel p	50	80	85	85	85
47½	34	▪.70	...	Maclaren Pr.	400	43	44	44	44
17½	14	▪.50	...	Maple Leaf M.	770	14¾	15	14¾	15
21	14¾	▪.25	...	Massey-Harris	3315	18½	18	17	17
35½	27½	1.25	4.2	Do. pref.	225	29½	29¾	29½	29½
12½	12	.60	4.8	McCabe Gra A	80	12½	12½	12½	12½
26½	15¾	▪.50	...	McColl Fron.	2345	24½	23¾	23½	23½
106½	104	6.00	5.7	Do. pref.	1287	104¾	105	104	105
19	13½	.60	3.6	Melchers, pref.	45	17	17	16	16¾
22	17¾	▪.70	...	Mercury Mills	360	21¾	21¾	21½	21½
27½	18	.	...	Minn & Ont Pa	2280	23½	22½	21	21
37½	30	1.00	2.7	Molson Brew.	275	37½	37½	37	37
18½	11	.60	3.5	Monarch Knit.	560	17	17½	17	17½
101½	95	5.00	5	Do. pref.	15	101½	101	101	101
15	14½	.	...	Montreal Cot.	10	14½	14½	14½	14½
40	40	.	...	Do. pref.	25	40	40	40	40
26	18¾	▪.50	...	Mont. L. & Pr.	11153	20½	22	20½	21½
22¾	20	▪.20	...	Mont. Locomo.	3705	21½	21	20¾	21
56	29		...	Montreal Trams	25	31½	35	35	35
81	70	2.88½	3.6	Moore Corp.	280	79	80	79¾	79¾
16¾	10¾	▪.30	...	Mt Royal Hotel	110	14	13½	13½	13½
11	10½	.50	4.7	Mt. Royal Rice	280	10¾	11	10¾	10¾
52	44½	2.00	3.9	Nat. Breweries.	390	52	52	51¾	52
52½	44½	1.75	3.4	Do. pref.	50	52	52½	52½	52½
21	15½	.60	3	Nat. Grocers	35	21	21	20½	20½
32¾	24	▪1.00	..	Nat. Steel Car.	2286	27¾	28	27½	27½
31	24½	.	...	Niag. W. Weav.	10	31	31	30½	31
9½	6	.	...	North Star Oil.	100	6¾	6¾	6¾	6¾
109	94½	6.00	5.5	N.S. L. & Pr.	155	109	109	109	109
15	8	.	...	Nuclear	115	13	13½	13½	13½
35½	30½	1.00	2.9	Ogilvie Flour	1545	35½	35	35	35
182	175	7.00	3.9	Do. pref.	5	182	180	180	180
28	14	.	...	Orange Crush	255	25	28	24	23
21½	14	.70	3.5	Do. pref.	249	20	20	20	20
8½	5	*.50	...	Ott. Car Air	50	7	6¾	6¾	6¾
82	50	3.20	3.9	Ottawa El. Rly.	10	81½	81½	81½	81½
20	16	.60	3.3	Ott. L. H. & Pr.	100	18	18	17	17
103½	102	5.00	4.8	Do. pref.	100	102½	103	103	103
38	30	*.03	...	Pacific Coyle	11835	36	35	35	35
35	29	1.25	3.7	Page Hersey	190	32¾	34	32¾	34
36¾	31½	1.20	3.6	Powell River	640	34½	34½	34	34
18	13½	▪.30	...	Power Corp.	360	15	15	14½	14¾
112½	107	6.00	5.5	Do. pref.	2	110½	110	109½	110
60	46	3.00	5	Do. 2nd pref.	210	60	60	60	60
73½	55	1.50	2.3	Price Bros.	1015	67	67	63¾	65
19½	15½	.50	2.9	Prov. Transport	60	17	17	16¾	16¾
22	17¾	1.00	4.9	Quebec Power	374	20½	20½	20½	20½
15½	11		...	Purity Flour	770	13	13	13	13
55	51	2.50	4.6	Do. pref.	120	54½	54½	54	54½
43	33		...	Que Pulp & P p	110	35	35	35	35
39½	34	2.00	5.6	River S Mill A	210	37	37	36	36
16	13	.40	3.1	Robinson Cot.	205	13½	13½	13	13
49	43	2.00	4.3	P. L. Robertson	15	48	47	47	47
20½	16½	.60	3.5	Rolland Pap.	110	18	17	17	17
25¾	20	.80	3.2	Royal Bank	1400	25½	25¾	25	25½
16	14¾		...	Russell Indust n	2270	15½	16	15	16
106	104	4.25	3.1	Saguenay Pr. p	25	105½	106	105½	105½
15½	10	▪.25	...	Sarnia Br.	353	12½	12½	12½	12½
26½	21½	1.00	3.9	Shawinigan Pr.	8386	24½	26	24½	25½
38¾	28	60	1.7	Sher. Wms.	110	36	36	36	36
25½	13½	.	...	Silknit	10	21½	23	23	23
41	36	2.00	4.9	Do. pref. new	25	40½	41	41	41
19½	13¾	.	...	Sicks Brew n.	680	14	14	14	14
15½	13¾		...	Do. V.T.	390	14	14	13½	14
18½	11	.40+.10	2.9	Silverwoods	260	17¾	17½	16	17
18½	10	.40	2.4	Do. pref.	480	17¾	17	17	17
102	100	5.00	5	Silverw's WD p	10	100	100	100	100
106	102	5.00	4.7	Simon & S pf	5	105	106	106	106
40	27½	▪.50	...	Simpson, A.	815	37	38	37½	38
37½	23½		...	Do. (B)	500	33	34	33½	33½
108½	101½	4.50	4.2	Do. pref.	55	108	108	107	107
32½	25	1.20	3.8	Slater, N.	50	32½	32½	32	32½
16	14	.80	5.3	So. Can. Pr.	860	15½	16	15	15
132	115	6.00	4.8	Do. pref.	2	130	126	126	126
25	19	.76	3.8	Southam	250	19½	19½	19½	19½
.31	.22			South. Invest.	4627	.27	.27	.25	.27
10	7½			St. Law. Corp.	1040	8¾	8¾	8	8
39½	30½	1.00	2.8	Do. (A)	1445	35½	37½	35½	36½
41	34½	1.60	4.6	St. Law. Flour	135	36	36	36	36
112	83	3+▪1.50‡	2.8	St. Law. P p	870	107½	109	107	109
16½	10	▪.50	...	Stand. Chem.	1855	11¾	12	11½	11½
106	100	5.00	4.9	Do. pref.	70	102½	103	102	103
10½	7		...	St. Pav. & Mat.	650	8¾	8½	8	8
24	18½	.62½	2.8	Do. pref.	140	23½	23	22½	22½
9¾	6½	.40	5.7	Stand. Radio	405	7	7½	7	7
12½	11¾	▪.30	...	Stanley Brock.	50	12	11¾	11¾	11¾
8	7½	▪.20	...	Do. (B)	100	8	7¾	7¾	7¾
20½	17	.60	3.3	Stedman Br. n.	85	18¾	19	18½	18½
93	78½	3.00	3.3	Steel of Canada	170	93	92½	92	92
95	80	3.00	3.2	Do. pref.	30	93	94	92½	94
10	7		...	Sterling Coal	50	10	9½	9½	9½
105	86	4.00	3.8	Sterling Trust.	5	102½	105	105	105
29½	25	1.50	5.2	Stowell, A.	85	29	29	29	29
48½	33½	1.00	2.1	Sup. Pete. Ord.	6	48½	48½	48½	48½
27½	21½	.80	3.1	Tamblyn	95	27	27	26	26
54½	52¾	2.00	3.7	Do. pf. 4% n	40	54	53½	52¾	53½
23	14	▪.80	..	Thrift Stores	.50	20	19½	19½	19½
25	20	.30	1.3	Tip Top Tailors	190	24¾	25	23	24
44	36	1.00	2.8	Tooke Bros.	2	37	36	36	36
46½	36	*1.00	..	Tor. Elevators.	405	42	42	42	42
14	11½	.60	4.6	Tor. Iron A	110	13½	13	12¾	13
14	11	.60	4.4	Do. (B)	50	13½	13	13	13
35	23½		...	Traders Fin. A	25	35	35	35	35
35	28	.	...	Do. (B)	30	34½	35	35	35
105½	103	4.50	4.3	Do. pref. 4½%	20	103¾	103¾	103¾	103¾
183	165	7.00	3.9	Tuckett Tob. p	31	182	180	180	180
26	16	.	...	Twin City	28	20½	21	21	21
12¾	9½		...	Union Gas	785	11½	11	10½	10½
32	27	1.50	5	United Corp. A	10	32	30½	30½	30½
31	24	▪.50	...	Do. (B)	125	27½	28½	28½	28½
28	10	▪.10	...	United Distill.	100	27½	27½	27½	27½
58	40¾	3.00	5.8	United Fuel p	385	50	52	50½	52
11	6	.	...	Do. (B) pref.	120	8¾	8¾	8½	8½
20½	16	▪1.00	..	United Grain A	60	17¾	18¾	18	18
16½	5	.	...	United Secs.	20	7	8	8	8
13½	8½	.	...	United Steel	3715	11½	11½	10½	10½

Range 1946 High	Low	Div. R'te $	July 5 Y'ld %		Sales	Last June 28	Week end. July 5 H	L	Cl'se
99	74¾	4.00	4.1	Wabasso Cot.	35	92	98	98	98
156½	108	4.00	2.7	Walker-Good.	2161	146	151	146	149½
23½	20	1.00	5	Do. pref.	5813	21¾	22	20	20
14½	9½	▪.25	...	West Brew	45	13	13	13	13
220	145	3.00	1.4	West Grocers.	30	210	210	210	210
230	155	7.00	4	Do. pref.	12	230	230	230	230
36¾	27	.80	2.5	Weston, George	455	32½	34	31½	32½
6.75	2.10	.	...	Willson Stat.	116	6.50	6.75	6.25	6.75
102	101¾	.	...	Do. pref.	25	..	102	101¾	101¾
13	11	.	...	Windsor Hotel.	31	12½	12½	12½	12½
21¾	13½	.	...	Winnipeg El. A	1250	15½	15½	14¾	14¾
105	94½	5.00	5	Do. pref.	70	101	101	100½	101
29	24	1+.50‡	4	Wool Combing.	15	25	26½	26½	26½
19	14½	.40	2.4	York Knitting	135	17	18	17	18
45	34	1.00	2.3	Zellers	20	43½	44	43	43
29½	27	1.25	4.4	Do. 5% pref.	15	28½	28½	28½	28½
29½	25½	1.50	5.4	Do. 6% pref.	20	28½	28	28	28

†Paid in 1944. *Paid in 1945. ▪Paid or payable in 1946.
▲N. Y. funds. ‡Extra. xOn arrears.

Mining Stocks

Week Ended July 5

Range 1946 High	Low	Div. Rate $	July 5 Yield %	Company	Sales	Last June 28	Week ending July 5 High	Low	Close
.54	.24	....‡	....	Alger	3,000	.26	.25	.24	.25
.30	.15	....‡	....	Alta	1,000	.20	.20	.15	.20
1.20	.80	....‡	....	Akaitcho	11,800	.95	1.80	1.00	1.70
2.40	1.45	....‡	....	Amal. Lard.	1,800	1.60	1.55	1.45	1.45
.38	.19	.....	....	Amer. Y.K.	7,100	.26	.25	.19	.19
13.00	9.25	▪.20	2.1	Anglo-Hur.	100	10.00	9.55	9.55	9.55
1.95	1.30	.....	....	Anglo-Rou.	100	1.46	1.41	1.41	1.41
.30	.10	.....	....	Ansley	4,000	.12	.10	.10	.10
.86	.61	....‡	....	Aquarius	2,800	.73	.72½	.70	.70
.24½	.13½	....‡	....	Area	2,000	.14	.15	.14	.15
.55	.25	....‡	....	Arjon	3,500	.30	.30	.29	.29
1.70	.68	....‡	....	Armistice	11,500	1.20	1.25	1.10	1.12
.11½	.05	....‡	....	Arno	600	.07	.05	.05	.05
.62	.22½	....‡	....	Arntfield	6,600	.28	.26½	.22½	.24
.22	.09	....‡	....	Ashley	1,500	.10	.09	.09	.09
.87	.30	....‡	....	Astoria Q.	213,050	.40	.41	.30	.33
.50	.28	....‡	....	Athona '37.	26,300	.35	.33	.28	.28
.55	.27	....‡	....	Atlas Y'fe.	9,100	.27	.35	.30	.31
1.02	.46	....‡	....	Aubelle	99,600	.58	.58	.46	.50
1.55	.57	.....	....	Aumaque	85,500	.73	.75	.57	.62
7.25	4.50	‡.10	....	Aunor	2,250	4.95	5.10	4.70	4.75
.58	.25	.....	....	Bagamac	9,140	.26	.27	.25	.25
.24	.12	.....	....	Bankfield	26,000	.18	.16½	.15	.15
.28	.07½	‡‡.20	....	Base Metals	9,400	.15	.12	.11	.11
.26½	.14½	.....	....	Bayonne	11,500	.18	.17	.14½	.14½
1.64	.86	.....	....	Bear Expl.	22,010	.94	.94	.86	.88

Range 1946 High	Low	Div. Rate $	July 5 Yield %	Company	Sales	Last June 28	Week ending July 5 High	Low	Close
.72	.46	....	....	Hosco	35,350	.54	.53	.46	.46
.73	.43	*.01	....	Howey G.	8,250	.44	.45	.43	.43
50.00	37.25	2.00	4.8	Hudson Bay.	625	42.50	42.75	41.75	42.00
.30	.11	.....	....	Hugh Mal.	1,000	.11	.11	.11	.11
.80	.42	.....	....	Indian L.	8,700	.51	.52	.42	.42
1.65	.90	‡.02	....	Inspiration.	4,200	1.00	1.00	.95	.97
2.09	.88	.....	....	Int. Uran.	30,550	1.10	1.12	.88	.90
2.30	1.56	‡.05	....	Island M.	3,200	1.75	1.75	1.56	1.62
.11	.04	.....	....	Jacola	1,000	.05	.06	.05	.05
1.15	.36	....‡	....	Jack Lake	28,600	.41	.42	.36	.38
.41	.17	....‡	....	Jacknife	2,300	.18	.20	.18	.18
.37	.20	....‡	....	Jack Waite.	1,000	.21	.23	.23	.23
.65	.40	....‡	....	Jason M.	8,150	.46	.46	.45	.45
.19	.08	....‡	....	Jellicoe	7,819	.09	.10½	.08	.10
.09	.03	....‡	....	J. M. Cons.	2,000	.04	.05	.05	.05
2.25	.66	....‡	....	Joliet Que.	21,500	.80	.80	.66	.70
.37	.12	....‡	....	Kay Rand.	2,500	.17½	.15	.12	.12
1.76	1.49	.....	....	Kenville	7,500	1.55	1.55	1.49	1.50
17.87½	14.00	‡.15	....	K. Addison.	2,935	15.25	15.00	14.12½	14.12½
.85	.50	†*.05	....	Kerr Lake.	400	.50	.52	.52	.52
2.30	1.30	.....	....	Kirk. H. Bay	100	1.40	1.30	1.30	1.30
2.90	1.60	†.02	....	Kirkland L.	8,250	1.85	1.85	1.60	1.60
.55	.19	.....	....	Kirk. Town.	5,500	.20	.20	.19	.19
.13	.10	.....	....	Kootenay B.	100	.11	.10	.10	.10

Oil Stocks

Range 1946 High	Low	Div. Rate $	July 5 Yield %	Company	Sales	Last June 28	Week ending July 5 High	Low	Close
.23	.09	.....	....	Apex	20,400	.10	.10½	.09	.09½
.55	.20	.....	....	Br. Dom.	4,000	.23	.23	.22	.23
2.90	1.95	.10	5.1	Calg. & Ed.	2,680	1.97	2.10	1.96	1.98
.56	.28	.....	....	Calmont	1,120	.32	.32½	.31	.32½
.36	.28	‡.00½	....	Commoil	500	.32	.32	.32	.32
.51	.40	.....	....	Common P.	2,100	.40	.48	.40	.40
.85	.30	.....	....	Dalhousie	1,150	.32	.37	.30	.37
.13	.06	.....	....	East Crest	3,500	.07	.07½	.07	.07½
2.15	1.45	‡.12½	....	Foothills	2,644	1.65	1.70	1.50	1.65
.14½	.06	.....	....	High Sarcee	500	.06½	.07	.07	.07
4.40	2.95	▪.15	....	Home	4,680	3.05	3.10	3.00	3.05
.11	.05	.....	....	Homestead	29,000	.07½	.07½	.06½	.06½
.14	.05	.....	....	McD. Segur	3,200	.07	.06½	.06	.06
.08	.04	.....	....	McLeod	100	.04	.06	.06	.06
.17	.08	.....	....	Midcont	2,500	.08	.08½	.08½	.08½
.26	.16½	‡.02	....	Model	2,500	.17	.18	.18	.18
.90	.40	.....	....	Okalta	700	.49	.48	.46	.48
1.65	.75	.....	....	Pac. Pete.	3,000	.88	.90	.85	.85
1.57	.80	.....	....	Roxana	6,300	.98	1.00	.93	1.00
.05½	.03	.....	....	Royal Can.	3,000	.03½	.03½	.03½	.03½
25.50	17.50	1.00	5.4	Royalite	110	18.00	18.50	18.25	18.50
.40	.18	.....	....	So. West Pete	1,000	.18	.20	.20	.20
.14½	.07	.....	....	United Oils.	2,500	.08½	.08½	.08	.08

*Paid in 1944. ▪N. Y. Funds. †Paid in 1945. ‡Extra.
▪Sub. appl. F. E. C. B. ‡Paid or payable in 1946. ‡Capital Repayment.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
July 8	239,700	2,083,000	77,395	1,010,000
July 6	......	......	......	......
July 5	115,900	1,063,000	74,408	700,000
July 4	109,000	902,000	80,125	......
July 3	118,100	772,000	37,325	920,000
July 2	103,700	677,000	70,353	1,120,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	July 5 Bid	Ask
Acme Glove pf.	6.50	107½	..	..
Aluminium pref.	▲8.00	120	122	..
Amal. Electric	.60	19	18	19
Andian Nat.	▲▪.50	18½	16	18½
Ang. Can. Tel. p.	2.75	55½	55½	55½
Assoc. T. & T. A.	▲*1.02	10¾	..	..
Do., pref.	▲*1.19	66½	..	..
Ault & Wiborg	5.50	107	104¾	..
Barber Ellis	.50+.25‡	6	17	..
Barcelona	...	6	..	..
Beatty Bros. (B)	2.00	46	..	45
Beaver Lumber pf.	7.00	170	147	..
Belding Cort. pf.	7.00	170	172	..
Belgium Glove	▪.27½	13	11	12
Do., pref	1.06	19	18	19
Biltmore Hats, new	.40	12½	12½	..
Blue Ribbon		12½	12½	12¾
Blue Top Br. (B)	▪.28	40	35	42
Brant. Cord.	.50	13¾	13	14¾
Do., pref.	1.30	27	26¾	..
Br. Am. Bk. Nts.	1.00	28	26¾	28
B. C. Pulp & P. p.	▪1.75	170	..	170
Caldwell Linen	.50	14	13	15
Do., 1st pref.	1.50	32½	32½	..
Do., 2nd pref.	.80	18	16½	18
Calgary Power	...	65	77	..
Do., pref.	6.00	107	107½	..
Can. Bread pf. (B)	2.50	79¾	..	..
Can. Cr. Stone	.40	7	7¾	..
Can. Forg. (A)	1.50	27¾	27¾	29¾
Do. (B)	...	50	40	75
Can. Starch	1.50	13	11½	..
Do., pref.	*7.00	112	110	..
Can. Vinegars	.60	17½	16½	18
Can. Canners 2nd pref.	.80+.40‡	29	28¾	29½
Can. Convert. (A)	.75	20	18	20
Do. (B)	...	11½	11½	..
Can. Cottons	▪1.35	48	48	50
C. Fairb. pref.	6.00	155	150	..
Canadian Fire	4.00	90	88	..
Can. Gen. Elec.	8.00	275	275	..
Can. G. Secs. (A)	...	20	20	..
Can. Indust. pf.	7.00	190	190	..
Can. Int. I. Tr. pf.	5.00	108	108	..
Can. Lt. & Pr.	*1.00	13½	..	15
Can. Oil 5% pf.	5.00	107½	105½	..
Do., 8% pf.	8.00	190	182	..
C. Pr. & Pa. In. pf.	...	15¾	..	..
Can. Shipbldg. (A)	.60	11	..	..
Do. (B)	.40	9	..	..
Can. Utilities	5.00	104	104	104½
C. Wallpaper (A)	▪1.00	25½	24	26
Cassidy's	...	17¾	16	17¾
Do., pref.	7+▪x3.50	150	..	150
Catelli Food pf.	...	15½	15	..
Celtic Knit	▪.20	8	7	8
Chart. Trust	5.00	125½	123	..
Circle B. Knit	.60+.20‡	24	23	25
Coll. Terminal	▪.25	5	7	..
Do., pref.	▪.25	6	5	..
Conduits Nat.	▪.50	8	7¾	8
Cons. Fire Co.	...	3¾	..	..
Cons. Press	▪.65	31	30	32
Cons. Sand pf.	†2.50	100	..	..
Corr. P. Box 5% p.	5.00	105¾	104½	105
Crown Dom. Oil	...	24	..	..
David & Fre. (A)	1.00	28	26¾	28½
De Havilland pf.	...	160	135	155
Disher Steel	...	4½	3	4½
Distill-Seagram p.	▲5.00	119½	118	118
Dom. Ang. Inv.	3+▪2.50	75	105	..
Do., pref.	5.00	110	107	..
Dom. Envelope	†.20	6	..	..
Do., pref.	3.50	53	53	..
Dom. Fabrics pf.	3.00	54½	54	..
Dom. Glass pf.	▪.35	41	..	41
Dom. Magnes.	...	10½	10	10¾
Dom. Malting pf.	...	108½	108½	..
East. Koot. Pr.	...	3	..	4
Do., pref.	...	32	..	40
East. Theatre	*.50	19	..	..
Enam. & Heat.	...	14	12	14
Equitable Life	▪.30	10¾	10¾	12½
Federal Fire	▪2.50	51¾	51	..
Fleury Bissell	...	2.25	1.90	3.00
Do., pref.	...	27	30	..
Ford Motor (B)	1.00	32	25	32
Gen. Bakeries	...	5¾	5½	5½
Gen. Products pf.	5.00	101	100	..
Gould Pumps	▲▪8.75	85	..	..
Grand & Toy	▪.45	16½	13½	17¾
Gt. Lakes Pap. Vot. Tr. c.	...	34½	..	..
Do., Vot. Tr. p.	1.50	58	..	..
Gt West Life	15.00	420	410	..
Gt. W. Saddlery pf.	3.00	54	54	..
Greening Wire	.20	6	5	5¾
Growers Wine	...	1.60	..	..
Guaranty Trust	5.00	120	115	..
Gurd, Chas., pf.	...	143	..	..
Hillcrest Coll.	...	50	35	80
Holt Renfrew	...	40	40	..
Do., pref.	7.00	165	165	..
H. De La Salle	▲.25	15	15	..
Humberstone S.	*1.25	23½	23	25
Hunts (B) (new)	▪.20	15	12¾	15
Huron & E. Mt.	4%	105½	105½	112
Do., 20% pd.	...	18¾	19½	20
Hydro Electric	.50	6¾	5½	5¾
Imperial Life	15.00	274	..	..
Imp. Varnish pf.	1.50	33	30	..
Indust. Accept. pf.	5.00	105	105	..
Inter'c Coal	2.00	28	28	..
Do., pref.	8.00	130	130	..
Int. Hydro E.l. (A)	...	13	..	..
Int. Mill., pf.	▲4.00	115	114	..
Int. Nickel pf.	▲7%	158	157	..
Int. Paints	...	15	14	14½
Do., pref.	1+1x	36	35	35¾
Int. Power pf.	7.00	104¾	..	..
Invest. Found. pf.	3.00	58	52½	53½
Lake of Woods pf.	7.00	163	..	..
Langleys	...	4	3	4
Do., pref.	3.00	80	80	90
Legare, pref.	▪2.00	25	20	..
Levy Bros.	▪.50	80½	4	..
Lindsay, C. W.	...	20½	17½	19
Do., pref.	▪4.00	95	100½	..
Mackin Steel	...	9	6	9
M. L. Gardens	▪.50	51	51	..
Do., pref.	.70	12½	12	12½
Maple Leaf M. pf.	...	28½	..	..
Maritime Tele.	.80	21	21	..
Do., pref.	.70	21½	21	..
Marcus Loew's	4.00	86	81	90
Do., pref.	7.00	103½	105½	..
McCabe-Grain (B)	...	11	11	11½
McBrine	1.00	19½	20	21
Melchers	...	9¾	8½	10
Mexican Lt. pf.	...	18	..	..
Mitchell, J. S.	*2.50	75	75	95
Mitchell, Robt.	▪1.00	30	28	30
Mod. Contain.	1.20	55	55	55½
Do., pref.	5.50	107½	107½	..
Monarch Life	▪12%	68½	..	..
Mont. Is. Pr.	...	25	25	..
Mont. L. & Pr. Nts.	...	50	..	..
Montreal L'n	1.25+.25‡	48	50	..
Mtl. Refrig. & S.	...	12½	12	16
Do., 1st pref.	1.50	30	30	31
Do., 2nd pref.	*.77	21½	21	..
Montreal Tele.	3.20	51	50	55
Moore Corp. p. (A)	▲7.00	320	312	320
Do., pref. (B)	▲7.00	432	468	480½
Morrison Brass	...	6½	5	6½
Murphy Paint	.80	31	30	33
Do., pref.	5.50	105	..	..
Nat. Grocers	1.50+▪.20‡	30	29½	29¾
N. Sew. Pipe (A)	...	30	30	30½
National Tr.	9.00	275	271	..
Neon Prod. of W.C.	.60	12¾	..	..
N. Star Oil p.	.35+.8½	6½	6	6½
Nor. Can. Mtge.	▪.50x	13½	14	20
Nor. Trusts	▪.80	21½	..	22
N. S. L. & Pr. pf.	6.00	115	111	112
Ontario Loan	5.00	116	116	..
Ont. Steel	1.00	22	21	23
Do., pref.	7.00	120	120	..
Pantepec Oil	...	14	..	13
Paton Mfg.	4.00	85	90	..
Do., pref.	7.00	130½	135	..
Penmans	3.00	80	79½	80
Do., pref.	6.00	150	148½	..
People's Cr. Sec.	▪.25	9	8¾	9
Photo Eng.	1.00	26	25½	27½
Premier Trust	2.00	58½	..	..
Pressed Metals	▲*.50	19½	17¾	19½
Price Bros. pref.	5.50	99¾	..	..
Prov. Transp't Rts.	...	1.70	..	..
Que. Pulp & Paper	...	125½	..	..
Que. Telephone	.40	8	8	..
Quinte Milk	.20+.10	7½	7½	..
Regent Knit	.50	27	26	30
Do., pref.	.60	25½	25½	..
Reliance Grain	...	19½	18½	24
Do., pref.	6.50	111	..	..
River S. Mill (B)	.50	16	12¾	15½
Robertson, P. L., p.	2.50	51	48	..
Rolland Pap. pfs.	7.00	104¾	..	..
Russell Indust. pf.	7.00	605	600	..
Sangamo	▪1.00	40	..	41
Scythes & Co.	.76	16½	15	16
Do., pref.	1.25	27½	25½	..
Sher. Wms. pf.	7.00	187	..	185
Silknit scripts	▪1.00	19½	18¾	19¾
Silverwoods W.D.	...	85	..	..
Simon & Sons	1.20	32	30	32
St. Law. Flour pf.	7.00	156	160	..
Do., rights	...	3	..	..
Stand. Clay	...	14	13¾	..
Stop & Shop	...	3½	..	..
Stowell (B)	...	9½	9½	..
Stuart, D. A., pf.	.80	22½	22½	23½
Sup. Pete. Ord.	1.00	48½	..	..
Do., com.	1.00	35	..	..
Thayers	...	9	5	10
Do., pref.	▪2.10	36	30½	41
Theatre Props.	...	3¾	4	5
Thrift Stores pf.	1.62½	37	..	..
Toronto Gen. Tr.	▪5.25	166	170	172
Tor. Mortgage	5.00	125	125	130
Traders Bldg.	4+1‡	80	75	83
Trad. Fin. (A) Rts.	1.00	21¾	21¾	25
Do. (B) rights	1.00	21	21¾	..
Un. Amuse. (A)	▪.50	31	29	..
Do. (B)	▪.50	28	26	..
Viau Bisc.	...	22	18	22
Do., pref.	5.00	106	..	105
Viceroy	▪.14	8	6	8
West. Grain	...	2½	..	2.10
Do., pref.	...	151	47	49
Westeel	▪.50	27	24½	27½
W'minster Pap.	*1.00	20	..	..
Weston, G., pf. 4½%	4.50	106½	106	108½
Wilsils	1.00	25½	25½	26
Wood, A. & J. p.	7.00	131	128	..
Woods Mfg. pf.	2.00	55	53	58
York Knit. pf.	7.00	175	150	..

†Paid in 1944. *Paid in 1945. ▪Paid or payable in 1946. ▲N.Y. funds. ‡Extra. xOn arrears.

Mining Stocks

	Div. rate $	Last sale	July 5 Bid	Ask
Ashbourne	...	.13½	..	..
Bear Lake	...	.01	..	..
Beaucourt	...	.30	..	.39
Belleterre	‡.10	10.00	10.00	11.00
Berens River	...	.90	.80	1.00
Bouscadillac	...	.10	.10	.11
Bruce Cons.	...	.04	..	.04
Cartier Mal.	...	.08½	..	.08
Cent. Manitoba	...	.07	.07	.09
Cryderman	...	.01½	..	.01½
Douglas Lake	...	.10	..	..
Flin Flon	...	.04	.03¾	.04
Forty-Four	...	.75	..	..
George Copper	...	.16	.16	.17¾
Golconda	...	.22	.20	..
Great Falls	...	.04	..	.04½
Hallnor	‡.14	5.00	4.85	5.20
Hudson Rand	...	.30	.35	.40
Int. Mining	...	10.00	..	..
Island Lake	...	.03½	.02	.04
Knee Lake	...	.02½	..	.04
Lingside	...	.20	.17	..
McGillivray C.	...	.19	.21	.25
McLellan Gold	...	.06	.05	.06
Mentor Explor.	...	2.50	2.50	5.00
New Louvre	...	.22	.16	.22
Normandy	...	.07	.06	.07
Northern Empire	†.10	2.30	2.10	2.75
Pacific East	...	.90	..	.94
Packsack	...	.02½	.02½	.03
Proprietary	‡.10	14.25	14.12½	16.00
Prospectors Air's	...	.47	.47	.60
Red Cloud	...	.02	..	..
Red Crest	...	.11	.13	.14
Red Hawk	...	.09½	.09	.10
Rice Lake	...	.01¾	.02½	.03
Ryanor	...	.15	..	.18
Sigma Mines	.60	12.87½	12.75	14.00
Silver Ridge	...	.44	.42	.48
S. American G.	†.20	1.10	..	..
Star Lake	...	.02	..	.02
Sturgeon River	...	.30	.28	.30
Sunloch	...	.20	..	..
Tiblemont	...	.25	..	.25
Oil Stocks:				
Admiral	...	.08	..	..
Advance	...	.01	..	..
Alliance	...	.12	..	..
Ajax	...	2.02	..	..
Arrow	...	.03	..	..
Coastal	†.03	.40	..	.38
Command	†.01½	.14	..	..
Davies Pete.	‡.01	.12½	.12½	.14
Federated P.	...	.40	.40	..
Freehold	...	.01	..	..
Grease Creek	...	.03¾	..	..
Hargal	...	.03½	..	..
Jump. Pound	...	.18	..	..
Kitalto	...	.13	..	..
Lethbridge	...	.01	..	..
Lowery	...	.01	..	..
Madison	...	.01½	..	..
Marvel	...	.05	.04	.05
Mercury	...	.05	.05	..
Merland	...	.02	..	..
Mill City	...	.06½	.06	..
National Petrol.	‡.01	.18	..	.18
New Ranch	...	.02	..	..
Nordon	...	.26	.19	..
Oil Selections	...	.04½	..	..
Pacalta	...	.08	.08	.08½
Phillips P.	...	.03	..	..
Princess P.	...	.10	..	..
Richfield	...	.01	..	..
Richland	...	.04½	..	..
Royal Crest	...	.05	..	..
Share Roy.	...	.03	..	..
So. Brazeau	...	.03	..	..
South End	...	.10	..	..
Spooner	...	.07½	.08	.09
Sunset	‡.01½	.03	.03	..
Texas Can.	...	1.25	1.25	1.40
Trans. Alta.	...	.03	..	..
Turner V.	...	.10	..	..
Vanalta	...	.13	.12	..
Vulcan	...	.22	.21	..
Warner	...	.07½	..	..
Wellington	...	.04½	..	..

†Paid in 1945.
‡Paid or payable in 1946.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

July 9, 1946

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105½	106
3	Mar. 1954	105¾	106¾
3	Nov. 1956	105¾	106¾
3	May 1957	104¾	105½
3	Jan. 1959	104½	105
3	June 1960	104½	105
3	Feb. 1962	104½	105
2	Dec. 1946	100¾	100¾
2¼	Mar. 1948	101½	101¾
1¾	Nov. 1946	100½	100¾
1¾	May 1947	100½	100¾
1¾	Mar. 1948	100¾	101
1¾	Nov. 1948	100¾	101
1¾	Nov. 1950	100½	101
3	Oct. 1963	104½	105
3	Sept. 1966	104½	105
1¾	Nov. 1949	100½	101
Dom. of Canada Bonds			
3½	Nov. 1951	103½	104
4	Oct. 1952	103	103¾
3½	Feb. 1952	105	105¾
3	Oct. 1952	103½	104¼
3	June 1955	104	104¾
4½	Nov. 1956	100¾	101½
4½	Nov. 1957	103¾	104½
3	June 1958	104½	105
4½	Nov. 1958	105¾	106¾
4½	Nov. 1959	108½	108¾
3½	June 1966	105¾	106¾
3	Perpetual	103½	104½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104½
4½	Sept. 1951	113½	114½
4½	Feb. 1956	120½	...
4½	July 1957	122	124
3	Feb. 1953	101¾	102¾
4½	June 1955	121½	123
3	Feb. 1954	118½	119½
5	Feb. 1970	115¾	117½
5	Oct. 1969	115½	117
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	121½	123¾
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107½	109
4	Jan. 1962	119	120½
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101½	...
3½	Aug. 1949	100¾	102
3½	June 1956	104½	106
4½	Apr. 1961	118	120
5	Jan. 1960	122	124
Nova Scotia:			
3	Jan. 1952	103¾	105½
3½	June 1956	104¾	106
3½	Nov. 1950	105½	107
4½	Sept. 1952	102	104
4½	Nov. 1960	120	122
5	Mar. 1960	124½	126½
Ontario:			
3	Nov. 1950	101½	102½
3½	Nov. 1951	104	105½
3½	May 1955	105¾	107½
4	June 1962	116	...
4½	June 1950	109	110½
4½	Jan. 1962	123	...
5	Oct. 1948	106¾	108½
5	Dec. 1960	128½	130½
5½	July 1946	100	101
Ont. Hydro Commission:			
3	Aug. 1948	100	101
3½	Feb. 1953	104½	105¾
3½	Apr. 1947	101	102½
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3	Nov. 1947	101½	102¾
3½	Mar. 1948	101¾	102½
3½	Mar. 1959	105½	107
4	Nov. 1952	106¾	108½
3¾	Feb. 1955	106¾	108½
4½	Aug. 1958	113	115
4½	Jan. 1963	118	120
Alberta:			
3½	June 1964	101½	...
3½	June 1966	101½	...
3½	June 1968	101½	...
3½	June 1972	101½	...
3½	June 1976	101½	...
British Columbia:			
4	Dec. 1957	111½	113½
4½	Jan. 1951	109	111
4½	Oct. 1953	113	115
5	Apr. 1954	117	119
6	Feb. 1947	102	...
Manitoba:			
4	Mar. 1957	111½	113½
4½	Dec. 1956	115½	117½
5	Dec. 1959	123	125
5	Oct. 1955	120	...
6	Apr. 1947	102¾	...
Saskatchewan:			
4	Sept. 1954	101¾	102¾
4	Nov. 1960	103½	105½
4½	Oct. 1951	103	105
4½	Mar. 1960	104	106
5	Aug. 1958	112½	114¾
5½	Oct. 1952	111	113
6	Mar. 1952	112	114

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co. Inc., Plaxton, McDonnell & Co. and Kamm, Garland & Co.)
July 8, 1946

	Bid	Ask.
Allens Toronto units	38.00	....
Anglo Can. Telephone A	11.50	12.75
Brandram Henderson	14.00	15.50
British Mortgage and Trust	165.00	....
B. C. Sugar	95.00	99.00
Canada Machinery Com.	17.00	18.25
Canada Paving 1st pfd.	7.50	....
Canadian Airways	4.00	....
Can. Ingersoll Rand	65.00	68.00
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A	13.00	14.50
Can. Silk Products "A"	30.00	31.50
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	76.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase, A. W. units	32.00	....
Colonial Steamships com.	83.00	89.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% paid	7.00	8.50
Commonwealth Inter. Corp.	4.14	4.53
Confederation Life Assoc. 30% paid	130.00	....
Continental Life 20% pref.	38.00	....
Crown Trust & Guarantee	101.00	104.00
Detroit International Bridge	16.00	17.50
Dover Industries Ltd.	13.00	14.50
Dunlop Tire pfd.	25.50	27.25
Eddy Paper "A"	21.25	22.25
Empire Life Ins. 25% paid	16.50	18.50
Federal Foundries & Steel Co. new common	2.75	3.35
Fittings Ltd. units	13.25	14.25
Fittings Ltd. "A"	12.00	13.00
Fittings Ltd. com.	6.00	7.00
Foreign Power Sec. pfd.	12.00	15.00
Galt Brass comm.	28.00	....
Goderich Elevator & Trans.	16.00	17.50
Great Lakes Power pfd.	114.00	116.50
Great West Life	420.00	450.00
Guardian Realty pfd.	34.00	....
Guaranty Co. of America	350.00	....
Guelph and Ont. Svgs. $50	55.00	....
Gurney Foundry pfd.	3.30	4.00
Hart Battery com.	8.75	9.75
Inter Utilities $3.50 pfd.	51.00	54.00
Lambton Loan & Inv. $50	36.00	....
Loblaw Groc. Inc.	22.00	22.50
London & Western Trust $100	94.00	....
Manufacturers Life Ins.	290.00	310.00
Midland Loan & Svgs. $10	18.00	....
Monarch Life Assoc. 30%	82.00	90.00
Monarch Mtge. units	4.00	4.75
Montreal Island Power Pfd.	40.00	....
Montreal Trust Co.	93.00	....
Nat. Drug & Chem. com.	9.50	10.50
National Hosiery com.	11.00	....
New Brunswick Telephone	13.50	....
Ont. Beauty Supply pfd.	20.00	21.50
Ont. Beauty Supply com.	2.50	2.75
Ont. Tobacco Plant units	37.00	40.00
Paramount Kitchener units	53.00	....
Provincial Bank of Canada	13.50	14.50
Provincial Paper pfd.	106.50	109.50
Prudential Trust	9.50	....
Ruddy, E. L. pfd.	145.00	....
St. John Drydock pfd.	104.00	....
Sawyer Massey com.	2.25	3.25
Seiberling Rubber com.	12.00	....
Sincennes McNaughton Tugs	2.00	3.00
Sherbrooke Trust	133.00	....
Sovereign Life Assce 25%	37.00	....
Standard Fuel 6½% pfd.	110.00	....
Standard Fuel com.	5.00	....
Sun Life Assce.	460.00	480.00
Third Can. Gen. Inv.	3.90	4.30
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	6.00	6.75
Trust & Guarantee $100	101.00	104.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	28.00	32.00
Victoria Trust & Svgs.	118.00	....
Waterloo Mfg. com.	10.00	11.00
Western Assurance com.	63.00	68.00
Western Grain com.	1.75	2.25
Western Grain pfd.	42.00	45.00
York Trading com.	6.00	7.30

Dividends Declared

	This payment $	Date payable	Date of record
Aluminium Co. of Can.	.25	Sept. 1	July 31
Ang.-C. Tel. 5½%	.68¾	Aug. 1	July 10
Anglo-Huron	.10	July 31	June 29
Anglo-Can. Tele.	.68¾	Aug. 1	July 10
Ault & Wiborg	1.37½	Aug. 1	July 15
Bath. Pr.	.25	Sept. 2	Aug. 2
Bk. of Nova Scotia	.30	Aug. 1	July 16
Beaver Lumber	.50	Aug. 1	July 16
Bell Tele.	2.00	July 15	June 22
Belding Cort.	1.50	Oct. 1	Aug. 31
Do., 7% pf.	1.75	Oct. 1	Aug. 31
Biltmore Hats	.17	July 15	June 30
Blue Ribbon	.62½	Aug. 1	July 20
Brant Cordage	.12½	July 15	June 20
Do., pref. $1.30	.32½	July 15	June 20
Brant. Roofing	*.25	Aug. 1	July 15
B. C. Power	.40	July 15	June 29
Butterfly Hosiery 7% pfd.	3.50	July 30	June 30
Caldwell Linens	.25	Aug. 1	July 10
Do., 1st pf.	.38	Aug. 1	July 10
Do., 2nd pref.	.20	Aug. 1	July 10
Can. Iron Found.	.40	Aug. 1	July 15
Do., 6% pf.	.30	Aug. 1	July 15
Can. N. Pwr.	.15	July 25	June 20
Do., 7% pref.	1.75	July 15	June 20
Can. Gen. Invest.	.15	July 15	June 29
Can. Invest. Corp.	.10	Aug. 1	July 8
Can. Indust. A & B	1.50	July 31	June 28
Do., 7% pfd.	1.75	July 15	June 14
Cockshutt Plow	.25	Dec. 2	Nov. 2
Confed. Life	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Com. Alcohol	.05	July 15	June 29
Do., 8% pfd.	.10	July 15	June 29
Crown Cork	.50	Aug. 15	July 15
Can. Bk. Comm.	.20	Aug. 1	June 29
Can. Bronze	.37½	Aug. 1	July 10
Do., 5% pf.	1.25	Aug. 1	July 10
Can. Food Prod.	.12½	Oct. 1	Aug. 31
Do., pf.	.25	Oct. 1	Aug. 31
Can. Fairbanks 6% pf.	1.50	July 15	June 29
C. P. Riwy. 4% pf.	2%	Aug. 1	July 1
Can. Wallpaper	1.00	July 18	July 5
Can. Convert. A.	.18¾	July 31	July 2
Can. Oil	.15	Aug. 15	Aug. 1
Do., 8% pf.	2.00	Oct. 1	Sept. 20
Do., 5% pf.	1.25	Oct. 1	Sept. 20
Conduits Nat.	.15	Aug. 5	July 25
Davies Pete.	.01	July 20	July 2
Dist.-Seag. 5% pf.	†1.25	Aug. 1	July 16
Dom. Anglo-Invest.	3.00+2.50	July 15	June 30
Do., 5% pf.	1.25	Sept. 2	Aug. 15
Dom. Bank	.25	Aug. 1	July 15
Dom. Coal, 6% pf.	.38+1.87	July 31	June 29
Dome Mines	.30	July 30	June 29
Dom. Dairies 5% p.	.44	July 15	June 29
Dom. Glass	.25	July 15	June 27
Do. 7% pf.	.35	July 15	June 27
Dom. Fabrics	.20	Aug. 1	July 15
Do., 1st pf.	.75	Aug. 1	July 15
Do., 2nd pf.	.37½	Aug. 1	July 15
Dom. Oilcloth	.30+.10	July 31	July 2
Dom. Malt	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	Aug. 1	June 30
Dom. Stores	.25	Sept. 14	Aug. 17
Dom. Tar & Ch.	.25	Aug. 1	July 2
D. Textile 7% pf.	1.75	July 15	June 5
Donnacona P.	1.12½	Aug. 15	July 15
Electrolux	.50	Aug. 2	July 2
Fed. Grain	2.00	July 31	July 12
Foundation	.35	July 19	June 29
Fraser	.50	July 25	June 29
A. J. Freiman	1.12½	Aug. 1	July 15
Gen. Steel Wares	.20	Aug. 15	July 17
Do., 5% pf.	1.25	Aug. 1	July 3
Gen. Trust Co.	1.25	July 15	June 29
Grandview Mines	.01	July 15	June 15
Guaranty Trust	1¼%	July 15	June 30
Gt. Lakes Power	1.75	July 15	June 29
Goodyear Tire	.31½	July 31	On Red.
Holt. Renfrew 7% pref.	3.50	July 15	June 15
Howard Smith	.25	July 30	June 29
Do., pf. $2.00	*.29	July 20	June 29
Hud. Bay	.50	Sept. 9	Aug. 9
Hydro-Elec.	.25	Aug. 1	June 28
Imp. Bk. of Can.	.25	Aug. 1	June 29
Inter. Holdings	.50	Aug. 15	July 15
Int. Milling	1.00	July 15	June 28
Int. Bronze	.25	July 15	June 15
Inter-City Baking 6% pfd.	.37½	July 15	June 15
Int. Nickel, 7% pf.	1¾%	Aug. 1	July 3
Jour. Pub. Co.	.17	July 15	June 18
Inv. Foundation p.	.75	July 15	June 15
John Labatt	.25	July 13	June 28
Lake of Woods	.30	Sept. 3	Aug. 3
Do., 7% pf.	1.75	Sept. 3	Aug. 3
Lake St. John Pr.	.50	July 15	June 21
Lamaque G. Mines	.08	Oct. 1	Aug. 29
Langley's 7% pfd.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
C. W. Lindsay & Co. 6½% pf.	4.00	July 15	June 12
Lowney Co.	.12½	July 15	June 15
Maple Leaf Gard.	.70	Aug. 15	Aug. 1
McCabe Grain	.15	Aug. 1	July 15
Mercury Mills	.25	Aug. 1	July 15
Monarch Knit	▪.20	Oct. 1	Aug. 31
Do., 5% pf.	1.25	Oct. 1	Aug. 31
Mtl. Telegraph	♦.48	July 15	June 15
McIntyre Porc.	.55½	Sept. 3	Aug. 1
Mt. Royal Rice	*.12½	July 31	July 8
McColl-Fron. 6% pf.	1.50	July 15	June 29
Nat. Biscuit	†.30	July 15	June 11
Nat. Steel	.37½	July 15	June 15
Ogilvie Flour	.25	Oct. 1	Aug. 28
Do., 7% pf.	1.75	Sept. 3	July 29
Ont. Steel	.25	Aug. 15	July 15
Do., 7% pf.	1.75	Aug. 15	July 15
Paramount Pic.	‡1 sh.	July 8	June 25
People's Cred. Sec.	.25	July 15	July 10
Prov. Transport	.25	July 15	July 10
Penmans	.75	Aug. 15	July 15
Do., 6% pf.	1.50	Aug. 1	July 3
Power Corp.	.30	July 31	June 30
Preston E. Dome.	.03	July 15	June 15
Purity Flour	.62½	Aug. 1	July 5
Power Corp. 6% p.	1.50	July 15	June 29
Do., 2nd pfd.	.75	July 15	June 29
Purity Flour Mills	.62½	Aug. 1	July 5
Quebec Pwr.	.25	Aug. 26	July 18
Reg't Knit $1.60 p.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Riverside Silk	.50	July 12	June 22
Robinson Cotton	.10	Aug. 1	July 2
Shawinigan Wtr.	.25	Aug. 26	July 18
Sheep Creek	1½	July 15	June 29
Sherwin-Williams.	.15	Aug. 1	July 10
Sigma Mines	.30	July 27	June 28
H. Simon & Sons.	.30	Sept. 3	Aug. 5
Do., 5% pf.	1.25	Sept. 3	Aug. 5
N. Slater	.30	Aug. 1	July 10
St. Law. Corp. 4% p	.25	July 15	June 21
St. Law. Flour	.40	Aug. 1	July 29
Do., 7% pf.	1.75	Aug. 1	July 29
St. Law. Pap. 6% pf.	.75+1.50	July 15	June 21
Southern Can. Pr.	.20	Aug. 15	July 19
Do., 6% pfd.	1.50	July 15	June 20
Stanley Brock, A	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stan. Chem. 5% p.	1.25	Sept. 1	July 31
Stanley Brock, A	.15	Aug. 1	July 15
Do., B	.10	Aug. 1	July 15
Steel Co. of Can.	.75	Aug. 1	July 8
Do., 7% pf.	.75	Aug. 1	July 8
Southam Co.	.19	Aug. 15	July 15
Teck-Hughes	.05	Oct. 1	Aug. 26
Thrift Stores	.20	July 15	June 30
Trader's Bldg.	1.00	July 15	July 5
Tuckett Tob., 7% p.	1.75	July 15	June 28
Unit. Grain Grow.	1.00	Sept. 1	July 17
Wellington Fire	1.75	Aug. 15	Aug. 12
West. Grocers	.75	July 15	June 14
Do., 7% pf.	1.75	July 15	June 14
Willson Sta., 5% pf.	1.25	July 15	June 28
Wood, A. & J., Ltd.	1.75	Aug. 1	July 15
Zellers Ltd.	.25	Aug. 1	July 15
Do., 5% pf.	.31½	Aug. 1	July 15
Do., 6% pf.	.37½	Aug. 1	July 15

†N.Y. funds.
‡Extra.
*Initial.
zParticipating divd.
▪For period June 1-Sept. 30.
•Sub. app. F.E.C.B.
♦Net. pay. after deducting corp. income tax.
‡For each share held.

Municipal Bonds

July 9, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1955	107¼	108¾	2.90
Hamilton	5	1950	109	110⅛	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	105¼	106¾	2.00
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	117½	...	...
Saint John	5	1950	109¾	111⅛	2.25
†Toronto	4½	1955	115½	...	...
†Vancouver	5	1970	130	...	...
Winnipeg	7	1950	112	114	2.29

†Payable Canada and New York.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Avalon Tel.	4½%	1958	Aug. 1	102¾
‡Can. Theatre	5%	1951	Sept. 1	100
‡Can. Vickers A.	6%	1947	Aug. 1	101
‡Dryden Paper	6%	1949	Aug. 1	101
Gt. Lakes Pwr.	5%	1959	Aug. 6	103¾
Maple L. Mill.	3½%	1956	Aug. 1	101
Maritime Elec.	5½%	1956	Oct. 1	101½
‡Minas Basin P. & P.	5½-6½%	1949, '56-57	Aug. 1	103
‡Do.	5½%	1953	Aug. 1	101¾
‡Do.	5½%	1954-55	Aug. 1	102
‡Mtl. Dry Docks	6%	1947	Aug. 1	101
‡Nfld. Lt. & Pwr.	4½%	1956	July 19	101½
Paton Mfg.	4½%	1956	Sept. 1	102
‡Silverwood Dair.	6%	1966	July 31	100

‡All outstanding.

Company Meetings

1946	Company	Place
July 15	Consolidated Press	Toronto
July 15	Golden Gate Mining	Toronto
July 15	Pascalis Gold Mines	Toronto
Aug. 21	Canada Cement	Montreal

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.28
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.20	3.87
Can. Invest. Corp.	8.00	9.00
Commonwealth Int.	3.83	4.27
Corporate Inv.	9.65	10.40
Trans-Canada (A)	13.45	...
Do., (B)	...	14.95

Unlisted Mines

Approximate quotations June 28, 1946, subject to confirmation.

	Bid	Ask
Abacus	..	.50
Abenakis	.08	..
Abino	.37	.39
Abound	..	.25
Ace Yel	.05	.08
Adan Que	.05	.08
Adding	.03	.06
Adele	..	.18
Adian	..	.20
Admiral Y	..	.30
Adnaron	.09	.11
Adv R L	.14	.17
Aiken	..	.33
Alb Old	.12	..
Alb New	.35	..
Alcan Yel	.07	.09
Aldermac	.01	.02
Alex R L	.23	.26
Alje	.04	.05
Alpha L	..	.05
Alwyn	..	.30
Amalartic	.23	.26
Am Gold	.17	.25
Am Kirk	.13	.15
Amb Min	..	.12
Amb Oils	..	.12
Amicmica	.24	.30
Amm G	.02	.04
Amorada	.05	.09
Anglo P	.05	..
Ann'que	.08	.10
Anoki	.07	.08
Apex Oil	.04	.06
Arg Yell	.09	.11
Argosy	.05	..
Arken	..	.15
Armada	..	.40
Arncour	.12	..
Arnt old	.05	.06
Arrowh'd	.06	.10
Asher	..	.15
Ashton	.02	.04
Auconda	..	.14
Audley	.04½	.06
Audora	..	.06
August P	..	.30
Aumo P	..	.15
Aunite	.03	.05
Auriac	.07	..
Auriga	..	.25
Aurlando	.10½	.13
Auriode	.32	.35
Aur Yell	.64	.68
Auterra	.04	.07
Auvill	..	.15
Bacola	..	.40
Balbea	.51	.55
Balmoral	.70	.80
Band-Ore	.50	.55
Banner	..	.15
Barbary	..	.35
Bar L old	.25	..
Bay R L	.17	.20
Beacon	..	.95
Beaucamp	.07	.09
Beaucourt	.35	.40
Beaureg'd	..	.13
Beauriv	.20	.23
Beauverny	.47	.50
Belec C	.10	.15
Belfast	..	.40
Belgold	.05	.10
Belle Yell	.15	.25
Bellemac	..	.18
Bellezone	..	.10
Bell R	.04	.05
Belm (u)	..	6.00
Benzac	..	.25
B'que old	.07½	.10
B Four	.30	.25
B Game	1.00	1.20
B Master	.02	..
B Miss	..	.06
Bilmac	.00½	.02
Birch B	..	.07
Biroco	..	.12
Blade Yell	..	.20
Blondor	.12	.14
Blue G R	.07	.09
Bobs Lake	.28	.35
Bocabois	..	.28
Boise	.35	.38
Bonsec'r	..	.15
Bonterra	..	.25
Bordeaux	.10	.15
Bordessa	.10	.15
Bordulac	..	.15
Boulder H	.14	.16
Bourbon	..	.30
Bourl Cen	.12	.14
Bowie	..	.15
Boyd K	.04	..
Bra Mal	.12	.14
Brae Bre	.09	.11
Bravo Yel	.07	.09
Brengold	.02½	..
Bren D u		100.00
Brett T	..	.02
Brew R L	.31	.35
Bright R L	.14	.16
Brock	.17	.19
Brown Oil	..	.08
Brun P	..	.27
Bryh stk.	.50	.70
	90.00	110.00
Bull R L	..	.25
Burgess	..	.30
Burley P	.033½	.04½
Burton	..	.15
Burscott	..	.15
Burvan	.02½	..
Burw Y	1.25	..
Cabala	.08	.11
Call F F o	.07	..
Cal S u	..	25.00
Cam S...	..	200.00
Camlaren	.09	.11
Can Rad	.15	.20
Can Kirk	.01	..
Canagau	..	.15
Candego	.40	.50
Can Expl	..	.35
Cap Rou	..	.01
Cap Yell	..	.08
Card Yell	..	.15
Carlmac	.38	.41
Carricona	.06	.08
Casakirk	.08	.12
Casey Con	..	.02
Cass Yell	.17	.20
Cath L	.40	.50
Char L L	.06	.08
Charm Y	.17	.30
Cheminis	.27	..
Chesgo	..	.30
Chimo	.58	.63
Christo Q	..	.30
Chuk R L	.45	.50
Cinc Porc	..	.24
Cipway	..	.20
Circle	.25	.28
Clarendon	..	.20
Clarnor	..	.15
Clarry	..	.15
Cl Sturg	.05	.10
Cl Porc	.40	.50
Clicker	.17	.20
Clif Cons	.03	.05
Clinger	.06	.09
Cluny	..	.17
Cobagold	.03	.06
Cob Prod	.15	..
Cock R L	.10	.11
Columb	.17½	.19
Comara	..	.45
Comb Lar	..	.06
Cons Chi	.33	.36
Cont D D	.60	.80
Cont Cop	.28	.31
Cont Kirk	.18	.23
Cortez	.51	.55
Cour G	.14	.18
Court't	.22	.30
Cov un	..	12.00
Do. stk	..	.18
Craibbe	.33	.36
Crangold	..	.38
Creo S L	.07	.09
Cres Kirk	.02	.03
Croscourt	..	.09
Croy R	.08	.10
Culver G	.28	.31
Cuniptau	.01	..
Cuyuni	1.10	1.20
Cyprus	..	.35
Dack Cr	.03	.05
Da-Ker-A	..	.06
Dalray	..	.25
D'Aragon	.27	.30
Darkw'ter	..	.07
Darrell G	.02	.04
Dastaur	.15	.20
Deane C	.033	.06
Deb Yell	..	.25
Deepore	..	.25
Delandore	.12	.15
Delcore	..	.20
Delhi Tem	.10	.13
Delo P T	1.00	..
Delwin	.03	..
Delw'd P	..	.04
Demp'y C	.04	.06
Deane C	.03	.06
Derlak	.05½	.07
De San n	.09	.11
Desjardins	.04	..
Despino	.30	.33
Destor Va	..	.12
Destorada	.15	.18
Destorbel	.14	.17
Detta R L	.29	.33
Dex R L	.75	.85
Diaterra	..	.18
Dolphin	.13	.16
Dom Expl	.04	.07
Dom Mal	.04	.06
Dom Nick	.14	.17
Dom Porc	.10	.13
Donmaque	.18	.22
Dona Pat	.03	.04
Dongld u	2.00	5.00
Donrand	.05	.08
Don Lar	.01	.02
Don X	..	.35
Dorbaska	.05	.07
Dorion	.14	.18
Doris Y	.26	.28
Dortera	..	.15
Double S	.30	.35
D'cliffe	..	.17
Drake Yell	..	.15
Droumaq'e	..	.20
Dub Gold	.22	.25
Ducore	..	.30
Dukel	..	.30
Dulama	..	.25
Dul R L	..	.30
Dumar	.16	.20
Dumico	..	.11
Dun Rou	.07	.10
Duomal	..	.15
Duport	.15	..
Durham	.10½	.13
Dyke L	..	.35
	Bid	Ask
E'court	..	.20
East Lun	.18	.22
Eastward	.31	.33
E Rouyn	.05	..
Echo Ind	.31	.33
Edena	1.00	..
Ed'water	..	.18
Edwaska	.05	.08
El-B'nza	.05	.08
Electra	.14	.17
Ellburn P	..	.15
Elmac	.44	.47
Elmos	.03	..
Elora	..	.15
Erin Kirk	.04	.05
Esther	..	.25
Eureka	3.55	3.60
Faulk L	.04	.05
Fernland	.15	..
Figuery	..	.25
Fiske	..	.01
Fl'tw'd Y	..	.20
Fleming	.04	.06
Flicka	.25	.30
Flobec	..	.07
Flynn B	..	.10
F'tana o	..	.18
Fort Yel	..	.10
Franco	.25	.35
Frebert	..	.26
Fred Y	9.00	11.00
Fresnore	..	.20
Front R L	..	.05
Fulbro	.14	.17
Gachin H	.15	..
Galatea	.13	.15
G Copper	.08	.10
Garraymac	..	.07
Gateway P	.03	.04
Gaymont	..	.30
Geometals	.19	.25
Geraldton	.03½	.04½
Gilbec	.02	.02½
Gilbert	..	.30
Girard L	.04	.06
Glenlivet	..	.24
Glencona	.05	.10
Glenw'd	.23	.26
Gold C P	..	.60
G Front	.06	.07½
Gold Porc	..	.10
G Shaft	.25	.30
G Summit	.02½	.03
G Valley	..	.15
Goldknife	..	.16
Goldpack	..	.32
Gold P '45	.35	.38
Goldwin	..	1.00
G'rock	.04	.05
Gordon L	.06½	.09½
Gorham	..	.03
Gotham	..	.30
Gothic	..	.40
Governor	.11	.13
Granacour	..	.20
Gr Chib		
units	80.00	100.00
stk	1.50	1.80
Graydel	..	.20
Gt B Oil	.01	.03
Gr L Iron	..	.06
Gt Yell	..	.35
Gr'nland u	..	100.00
Greenlee	.15	.18
Grompo	.24	.27
Gubby	..	.50
Gunflint	.03	.05
Gwill L	.18	.20
Gypsy	125.00	175.00
Habitant	.13	.15
Hal R L	.19	.21
Harlight	..	.20
Harp Mal	.04	.06
Harricana	.06	..
Hay Gold	.65	.75
Hayes C	.03½	.05
Hearn Y	..	.40
Herbdix	.14	.16
Hey R L	..	.12
Hiawatha	.15	..
H'ridge	.10	.11
Hislop o	.04	.06
Horne F	.19	.22
Hotstone	.18	.23
Hoyle G	.16	.19
Hub Yell	.05	.07
Hucliff	..	.25
Hud B M	.15	..
Hugh P	.09	.11
Huhill	..	.32
Humli' R L	..	.32
Hutch L	.04	.05
Independ	.12	.14
Indyke	.15	.20
Ing Yell	..	.15
Ingray	..	.15
Inland M	..	.30
Insco	..	.38
Int Tung	..	.06
Inore	.24	.26
Irvin P	.08	..
Iskut	.15	.30
James K	.03	.05
Jasper P	.14	.17
Jen Yell	.06	.08
Jeph	.12	.15
Jeroco	..	.20
Jerome	.55	.65
Jimjon	.20	.22
Joannes D	.05	.06
Jodelo	..	.02
Jowsey D	..	.30
Kamlac	.44	.47
Karat Y	..	.15
Kaw Crow	.04	.06
Kayorum	..	.12
Kaymac	.35	.38
Kega	..	.20
Kelrowe	.08	..
Kels R L	.06	..
Kelwren	..	.20
Ken Bey	.12	.15
Kencour	.05	.06½
Kenda P	.29	.32
Kenikonda	..	.35
Kenridge	..	.30
Kenroy	.05	.08
Kenwest	.08	..
Keora	.01½	.02½
Kewag'a	.08	.10
Keymor	..	.10
Kiena	..	.14
Kilbarry	.37	.40
Kimasco	..	.30
King K	..	.05
Kinojevis	.06	.09
Kirk East	..	.04
Kirk-Gate	..	.05
Kirk Hunt	.00½	..
Kir Vit	.02½	.03½
Kiska	.20	.23
Kiwago	..	.30
Korby	.06	.10
Laclothian	..	.17
Lac Teck	..	.01
Laddie	.27	.31
Lady Rou	..	.15
Laf L L	.03½	.04½
L Caswell	.07	..
L Expan	.11	.14
Lake Porc	.20	.25
Lake Gen	.03	.06
L'ridge	..	.25
L Rose	.02	..
L Row'n o	.09	.11
Lake Kirk	..	.08
Landeun	..	.16
Lapalar	..	.16
Lar Add	.06	.08
Lardego	.01	.02
Larder Is	.08	.10
Lardon	.09½	.11
Lareva	.15	.18
Largold n	.04	.07
Do. o	.01	.02
Laroma	.05	.08
La Salle	.19	.21
Lasidon	.32	.35
Lassie R L	.28	.31
Latomic	.09	.12
Laud'r R L	.35	.38
Lavalie	.10	.12
Leader Y	.15	.18
Lebon	..	.60
Leemac	..	.25
Legardo	.04	.06
Len R L	.20	.25
Leon Mal	..	.26
Lingkey	.25	.28
Lingnora	.13	.15
Lochabie	.01	.05
L Pershing	..	.08
Loisan	.10	.13
L Lac Lag	.00½	.01½
Lorie	..	.25
Louvore	.04	.06
Louvre '45	.20	.23
Do. old	..	.08
Low Can	.01	.03
Lowery P	.35	.45
Luzon	..	.10
Lynalda	.06	.10
MacA R L	.03	.06
MacBart	.08	.11
MacF Con	.02	.03
Macfort	..	.04
Macjoe	.01½	..
Mada Yell	..	.15
Magdelena	.28	.32
Magnet L	.12	..
Magwell	.10	.15
Mainbr'k	..	.24
Ma'mica	..	.05
Maj Oil	.08	.10
Malbec	.05	.08
Mall R L	.28	.32
Mallick	..	.20
Man B n	.01½	.04
Mandy	.22	..
Manh. Yell	..	.15
Manterre	.09	.11
Marbenor	.30	.33
Mar R L	.20	..
Marillac	.11	.15
Marq L L	.04	.05
Mars R L	.22	.24
Martin B	.16½	.28
Do. Un	10.00	..
Mary A	.16	.19
Mass Yell	..	.25
Mate Yel	.08	.10
Match C.	.05	..
Mat Con	.38	.41
M Spiers	.00½	..
McC R L	.13	.15
McD '37	.05	..
McFie R L	.35	.40
McFinley	.50	.60
McKay	12.50	..
McLar-P	.02	.05
McM R L	.19	.20
McMillan	.00½	.01½
McVit G	.11	..
McVit K	..	.04
Meew'd S	..	7.00
Meew'd Y	..	.30
Mercury	.60	.70
Metalore	.06	.08
Mica Co.	.24	.30
$10 par	2.50	3.00
Mic-Mac	..	.20
Middle B	.11	.13
Midd-Per	..	.30
Midwest	.01	.03
Mildale	.05	.08
Miles R L	.34	.36
Mill G (u)	1.90	..
Mills R L	.03	.05
Minedel	.03	..
Mink G	..	.22
Mintrock	..	.15
Miracle	..	.30
Mitnor	..	.10
Mitto P	.03	.05
Moff H n	.02½	.03½
Mihawk M	.08	..
Mihawk P	.03	.05
Moire Y	.02	.04
Molyjevis	.05	.08
Montclerg	.10	.13
Morris K n	..	.04
Moosew'd	.05	.07
Mooshla	..	.05
Murbell	.03	.04
Murmac	.20	.23
Murphy	.08	..
Murto	.24	.27
Mylake	..	.35
Myl'que o.	.12	..
Myl'que n.	.69	.72
My-Ritt	..	.36
Nareco	.17	.21
Nat Mal	.30	.33
Naybob n.	.48	.52
Naybob o.	..	.05
Naylor	.30	..
New Aug	.12	.14
N Barb L	.05	.07
New Mal	.07½	.09
New R Oil	..	.03
New Rib	.01	.03
Newbec	.02	.05
Newcor	..	.45
Newport	.09	.12
Nickel	3.00	..
Night H P	..	.05
Norbeau	.85	.90
Norcourt	.10	.12
Norf Per	.09	.11
Norm Mal	..	.20
Normar	.13	.16
Normanco	..	.35
Norpick	.25	.32
N A Moly	.04	..
Nor Bell	..	.10
N Break	.26	.29
Nor Mal	.03½	.04½
N Range N	..	.20
N Sisco	.15	..
N Whit M	.07	.09
Nor Tin	..	.10
Nortyne	.04	.06
Norwin	..	.06
Norzone	..	.19
Novell P	.08	.10
Nu'lake	.17	.30
Numaque	.07	..
Nyco	.26	.30
Obalski	.24	.26
Obalski '45	.62	.65
Obaska	.24	.28
Oklend	.09	.11
Olivet	.03½	.04½
Ont. Pyr	.15	.30
Ont. Nick	.07	.08
Opagold	.15	.17
Opemiska	.22	.25
Orcour	.10	.12
Ordala	..	.05
Oriole	.01	.03
Orpit	.07	.10
Ortona	.07	.09
Orvalley	.05	.08
Ossian	.01	.03
Osulake	.85	.95
Ouillette	..	.43
Pacalta o.	.01½	.04
Pacific N	.16	.19
Pacific Oil	..	.10
Pack Per	..	.35
Pamon	..	.20
Pan Mal	..	.30
Pan-Can	..	.10
Pap Yell	..	.20
Paquette	..	.02
Paquin	.37	.42
Para R L	..	.20
Parent L	.18	.25
Parterre	.06	.12
Pascalis	.30	.33
Pasco Mar	.30	.32
Patnora	..	.15
Paulore	.02	.03
Pawn K	.01½	.03
Payne Yel	.21	.24
Payore C	.15	.17
Peg Tan	2.40	2.60
Pelangio	.07	.09
Pell L	.40	.45
Pennaque	.07	.12
Pensive Y	..	.13
Peribec	..	.10
Pershon	.06	.09
Petitclerc	..	.15
Petmont	..	.20
Phelps	.05	.07
Phil Yell	.20	.25
Phoenix	..	.04
Pinnacle	.08½	.10
Pinta L	.12	.15
Pipe Nar	..	.20
Planet G	..	.04
Plexor	..	.20
Polar	..	.15
Polaris	.08	.11
Pontiac o.	.31	.40
Poona	.03	.04
Porc G R	.03	.06
Porc G T	..	.25
Porc L	.04	.07
Porc Sou	.15	.25
Porc Un	.03	.07
Porc Wat	.03½	.06
Porquin	.02½	.05
Port L L	.07	..
Port Cold	..	.12
Portland	..	.18
Potterdoal	..	.01
Presdor	.04	.05
Princ P	..	.12
Primus	.30	.35
Quejo	.06	.09
Quemart	.02	.06
Quesabe	.53	.55
Quest	.27	.30
Quintal	..	.19
Quytangle	..	.20
Rahill	.08	.11
Rainville	.20	.24
Rajah	.07	.09
Rambull	.03½	.04½
Rand Mal	.11	.13
Randona	.07	.09
Ranger	..	.30
Ranney	.10	.15
R M P S	..	480.00
Raylartic	..	.07
Ray Tible	.08	.10
Ray d'Or	..	.08
Rebair	.41	.43
Rec Rou	..	.18
Redaurum	.12	.15
Red Area	..	.20
Red Bank	.03	.06
Red Crest	.13	.15
R L G S	.08	..
Redpointe	..	.25
Redruth	.08	.10
Redwolf	.17	.20
Redwood	.09	.11
Regal K	.02	..
Regina Y	.03	.05
Renabie	.25	..
Renfort	.08	.10
Resenor	.30	.33
Renterra	..	.25
Rhyolite	.05	.06
Ribago	.09	.12
Ricenor	.15	.20
Rich Gr	.14	.17
Rico Rou	.15	..
Ritchie	.01½	..
Ritoria	.07	.09
Ritz Lard	..	.06
Riverdale	.30	.35
Robb	..	.02
Rocdor	.17	.21
Rocket	..	.15
Rockridge	..	25.00
Roeanor	..	.05
Ronal	.10	.17
Ronnoco	..	.15
Rose G	.10	..
Rossmore	.01	.04
R d'Or	.10	..
R Reward	..	.03
Roybar	.31	.34
RGS Un.	2.40	..
Rozak	..	.12
Rual Porc	.09	.11
Reg'd R L	.32	.35
Rupununi	.33	.36
Rusk Por	..	.12
Russ R L	.30	.33
Russ R L		
Units	18.00	..
Russ Kid	..	.19
Sachi Riv	4.25	..
Sagawana	..	.20
Salmita	.38	.43
Sangold	.14	.18
Sanita	..	.25
San Ped	..	.22
Sanshaw	.09	.10
San Maria	.26	.29
Santiago	.39	.43
Sava Yell	..	.20
Scott Chi	.10½	.11½
Scout P	..	.25
Seaforth	..	.35
Senore	..	.07
Sentinel	..	.12
Sepha	.09	.10
Sev Mal	..	.13
Shaw o.	.12	.15
Sheldon	.47	.52
Shenan n.	.03	.06
Shenan o.	..	.02
S M & R	2.75	3.50
S M & S	1.25	1.75
Silco	.40	.45
Silver A	.21	.23
Silver B	.18	.20
Silver M	.25	.28
Simon L	..	.22
Skookum	..	.02
Skynner	.03	.05
Slate B	..	.25
Slave L	..	.04
Smelt G	.02	.04
Snow L	..	.17
Snowshoe	.04	..
Springpole	.20	.26
S A G A	.60	.90
S Dome L	.30	.60
S Keora	.02	.04
S Malar	.01	..
Sovereign	.17	.19
Spina P	..	.10
St. Anth	.02	.05
St. Jude	..	.30
Starlight	.09	.11
Steeber	..	.04
Stewart	.04	..
Straw L B	..	.03
Sudbury	.00½	.04
Sull Bourl	..	.25
Sun Bear	.09	.11
Sunset Y	.35	.40
Tanaur	..	.10
Tasmaque	..	.20
Templar	..	.35
Terrebone'	.04	.06
Territ Ex	..	200.00
Thib	..	.05
Thomaque	.14	.17
Thornhill	.09	.11
Tible G	..	.30
Tiff Yell	.08	.10
Tobico	.04	.05
Tonaw'da	.00½	.02
Torbec	..	.15
Tovarich	.03½	.05
Trans Can	..	.30
Transter'	.08	.11
Trimac	.33	.35
Trojan	.19	.21
Tromac	..	.40
Tungold	..	.25
Tyneside	..	.30
Typhoon	.39	.42
Tyranite	.10	..
Uchi	..	.04
Unigo	..	.44
Univ Pete	..	.08
Utah L	..	.26
Val d'Bell	.05	.07
Valdina	..	.30
Val D'Or	.70	.80
Val Mal	.02	.04
Valrita	.25	.30
Vanacour	..	.12
Van Dyke	..	.12
Vauze Du	..	.18
Verity Por	..	.20
Verlac	..	.20
Vermor	..	.14
Vic-Ore	..	.12
Vincent	.95	1.05
Vine Per	.04	.06
Vinray	.32	.35
Violamac	.22	.27
Virginia	.23	.26
Virgo L	..	.25
Virita	.01	.03
Vive Y	.20	.25
Wadasa	..	.25
Wakeko	..	.07
Walcoro	.15	.18
Walker P	.05	.07
Walterra	..	.20
Wampum	..	.18
Wasu Por	.16	.19
W'ding R	.05	.07
Wells L L	.10	..
Wembly	.04	.07
Wenga	..	.15
Wesley	.03½	.04
West Pet	..	.12
West R L	.08	.10
West B Y	..	.40
Wes Oil	..	.06
W S Mal	.05	.06
West Cad.	..	.04
White E	.02½	.02½
White G	..	.25
White W	.02	..
Wildor	.05	.07
Winabi	.12	.14
Wilport	..	.06
Wilson	.04	.06
Wilwood	.07	.09
Win Lard.	.20	.22
Wingait	.19	.21
Winoga cr	.03	..
Win ex rts	.01	.02
Winrock	..	.20
Wisik	.05	..
Woco	.02	.05
Wolfpack	..	.32
Wood B T	10.00	..
Wright R	.22	.25
Yalta	..	.35
Yama G	.06	.10
Yell G	3.00	4.00
Young D	.26	.29
Young Sh	.06	.10
Zakor	..	.30

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

Dominion

Dominion of Canada Treasury Bills—Payable Sept. 27, 1946, $75,000,000. Dated June 28, 1946. Sold at average discount price of $99.89952. Average yield .403%.

Municipalities

Twp. of Scarborough, Ont.—2¼%-3%, due June 1, 1947-66, $355,000. Dated June 24, 1946, at $98.67. Sold to Wood, Gundy & Co.

City of Quebec, P.Q.—1½%-2¾%, due July 1, 1947-66, $1,955,600. Dated June 25, 1946, at 98.92, cost basis 2.73%. Sold to Savard, Hodgson & Co., Dominion Bank, Anderson & Co., Fairclough & Co., Mead & Co., McTaggart, Hannaford, Birks & Gordon, and Paul Gonthier & Co.

Village of Gatineau, P.Q.—2½%, 2¾% and 3%, due Aug. 1, 1947-61, $330,000. Dated June 25, 1946, at $99.47, cost basis 2.85%. Sold to J. F. Simard.

Village of Beaulac, P.Q.—3%, due 1947-66, $7,000. Dated June 25, 1946. Sold locally.

Sherbrooke Hospital (fully subsidized by Prov. of Quebec)—2%-3%, due July 1, 1947-66, $376,800. Dated June 26, 1946, at $101.285. Sold to A. E. Ames & Co., and Canadian Bank of Commerce.

District of Pitt Meadows, B.C.—3½%, 20-year serials, $100,000. Dated June 27, 1946, at $100. Sold privately to McMahon and Burns.

City of Windsor, Ont.—2% and 2½%, due June 30, 1947-50, and 1951-56, $6,500,000. Dated June 27, 1946. Sold to Angus & Co.

Bond Issues

Paton Manufacturing Co.—3½%, due Sept. 1, 1966, $750,000. Dated Aug. 1, 1946, at $104 and accrued interest yielding about 3.22%. Sold to Wood, Gundy & Co.

Mount Royal Rice Mills—3% and 3¾%, due 1947-56 and 1961, $250,000. Dated June 27, 1946. Sold privately.

Silverwood Dairies, Ltd.—4%, due July 2, 1971, $2,000,000. Dated June 27, 1946. Offered at $100 by Harrison & Co. and R. A. Daly Co.

Brompton Pulp and Paper—3½%, due July 2, 1966, $4,000,000. Dated July 2, 1946, at $100 and accrued interest. Yield 3.50%. Offered by Nesbitt, Thomson & Co.

Stock Issues

Goodyear Tire & Rubber Co. of Canada—$3,500,000 4% cumulative redeemable sinking fund preferred shares (par value $50 per share). Offered at $52.50 per share by A. E. Ames & Co., Dominion Securities Corp., and Nesbitt, Thomson & Co.

Virginia Dare—16,000 5% cumulative redeemable preference shares (par value $25) at $25 per share. Offered by R. A. Daly.

Bond Tenders

12 Noon, July 11. Canada Treasury Bills—$75,000,000, dated July 12, payable Oct. 11, 1946.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 238

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July 1946 and that the same will be payable at the Bank and its Branches on and after THURSDAY, the FIRST day of AUGUST next, to Shareholders of record at the close of business on 29th June 1946. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 7th June, 1946.

THE DOMINION BANK

DIVIDEND NO. 255

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Thursday, the first day of August, 1946, to shareholders of record of the 15th July, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 13th June, 1946.

SIMON'S

H. SIMON & SONS LIMITED

Dividend Notice

A Dividend of $1.25 per share has been declared upon the outstanding 5% Cumulative Redeemable Preferred Stock of H. SIMON & SONS LIMITED for the period June 1st to August 31st, 1946, inclusive, said dividend to be payable September 3rd, 1946, to shareholders of record at the closing of business on the 5th day of August, 1946; also a regular Dividend of 30c. per share has been declared upon the outstanding NO PAR VALUE Common Stock of H. SIMON & SONS LIMITED, for the period June 1st to August 31st, 1946, inclusive, said Dividend to be payable on the 3rd day of September, 1946, to shareholders of record at the closing of business on the 5th day of August, 1946.

By Order of the Board.

H. A. SIMON,
Secretary.

Montreal,
June 28th, 1946.

Brantford Roofing Company Limited

NOTICE OF DIVIDEND

An interim dividend of twenty-five cents per share has been declared on the outstanding common shares of the Company, payable August 1st, 1946, to shareholders of record July 15th, 1946.

By Order of the Board.

R. D. PAUL,
Secretary.

Brantford, Ontario,
June 11th, 1946.

Commonwealth International Corporation Limited

Notice is hereby given that the 50th consecutive quarterly dividend of four cents (.04) per share has been declared on the no par value Common Stock of the Company—payable August 15th, 1946 to shareholders of record July 15th, 1946.

By Order of the Board,

J. C. BROWN,
Secretary-Treasurer.

Montreal, Que.
July 5th, 1946.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c.) per share has been declared on the no par value Ordinary Stock of the Company, payable August 1, 1946 to Shareholders of record the 10th day of July, 1946.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
April 11, 1946.

Donnacona Paper Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and one eighth per cent (1⅛%) on the Cumulative Convertible Redeemable Preferred Shares of the Company has been declared for the quarter ending August 15th, 1946, payable Aug. 15th, 1946, to Shareholders of record at close of business July 15th, 1946.

By Order of the Board of Directors.

LOUIS W. MICHAEL,
Secretary.

Quebec, P. Q.
July 2nd, 1946.

Canadian Food Products Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of .25c per share on the outstanding Class A shares in the capital stock of the Company has been declared payable on October 1, 1946, to shareholders of record at the close of business on August 31, 1946.

By Order of the Board,

H. R. DOUGLAS,
Secretary.

Toronto, Ontario, July 4, 1946.

Canadian Food Products Limited

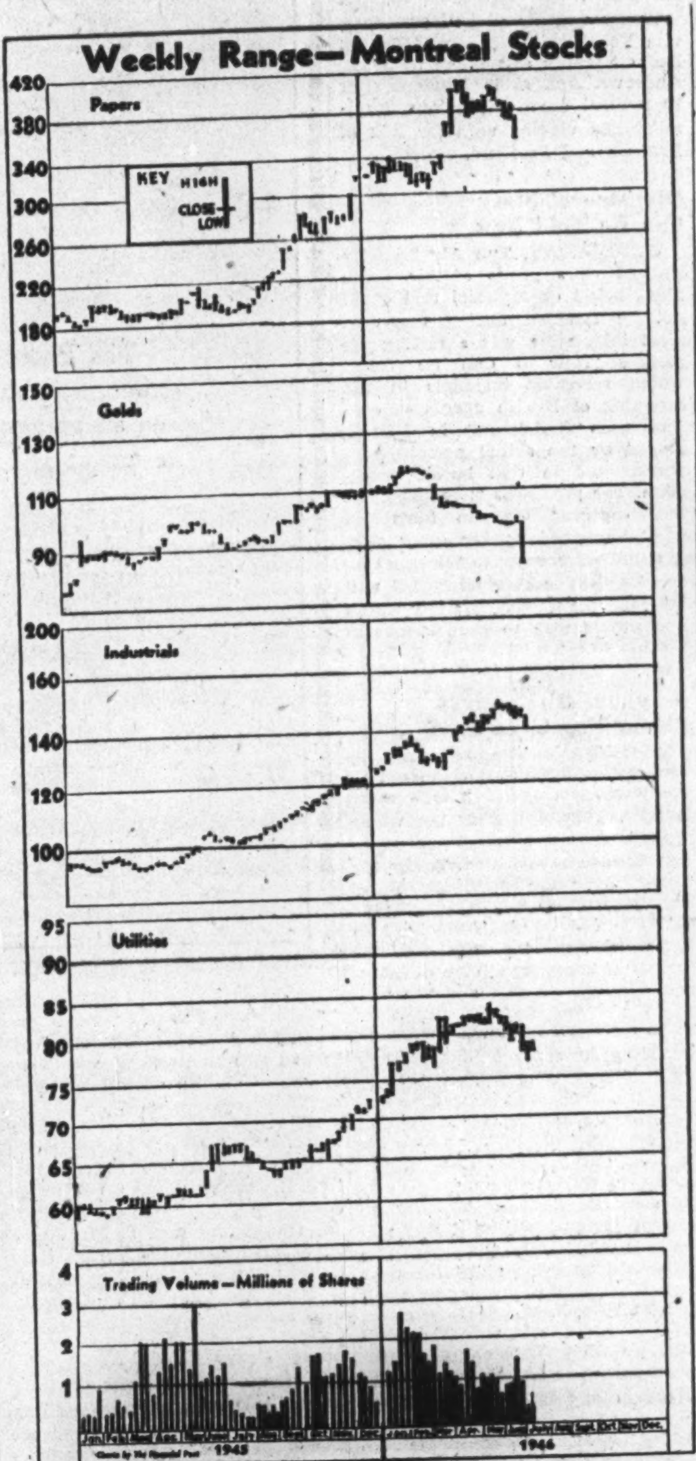
DIVIDEND NOTICE

Notice is hereby given that a dividend of .12½c per share on the outstanding common shares in the capital stock of the Company has been declared payable on October 1, 1946, to shareholders of record at the close of business on August 31, 1946.

By Order of the Board,

H. R. DOUGLAS,
Secretary.

Toronto, Ontario, July 4, 1946.



Market Comment

The market break on Monday, which had the Toronto gold index staggering under a 10-point loss at one time, is no longer the big topic of conversation in Canadian boardrooms. Conversation now has to do with reasons for the "golds" sharp recovery—80% of Monday's loss had been regained by Tuesday's close. Brokerage houses report that strong buying from generally well-informed sources came into the market on Monday.

1. The old fond hopes for an increase in the price of gold were being widely expressed. Board rooms were buzzing with great, elaborate theories for world-wide rise in gold prices and some of the fanciest theorists even had the dope that it would be a 20% increase to $42. Currently officialdom and economists are laughing about that one—for the time being.

2. Possible tax relief for gold mines in the form of increased depletion writeoff. The present depletion writeoff of 33-1/3% might be raised to 50%, some reports say.

The big Canadian interlisteds fell off most of their premium, despite increased buying in London and New York. Some moderate recovery was made later.

Newsprint issues, led by the volatile Consolidated Paper, bounded sharply back from Monday's low. Realization that demise of OPA meant open road to further paper price increases, spurred renewed confidence in this group.

• • •

Barron's: The Trader (New York) "Production in all lines is ready to move with tremendous momentum this month. Certain railroads even are counting upon a traffic pickup so sharp as materially to restore their earning power. With the probable disappearance of OPA controls, price as well as volume trends bid fair to accelerate the flow of business earnings. Major companies are still projecting expansion programs that will, in some instances, entail additional financing. It is not in accord with precedent for stocks to enter a serious downward movement at the current stage of the business and financing cycle."

• • •

Barrons: The Dow Theorist (New York "Fractional price changes in the Dow-Jones railroad and industrial averages last week gave no suggestion of any change in trend. While the rails were quite close to their end-of-June low, the industrial average was mid-way between its late May high and its June 20 low, so that a much broader swing than occurred last week, will be required to provide a signal of any kind."

• • •

New Highs and Lows

During the week ended July 8 there were 17 new highs recorded among the "general" stocks traded on Canadian stock exchanges and 10 new lows. In the mining group there were one new high and 94 new lows.

GENERAL

New Highs—1946

Bright T. G.
Brown Co.
Can. Celanese Rts.
Crown Cork
Distill.-Seagram
Dom. Fabrics 2 pf.
Dom. Glass, new
Dom. Woollens
Donnacona P. pf.
Godfrey
Mackin Steel pf.
Mt. Royal Rice
Nat. Brew. pf.
Orange Crush
Royal Bank
Traders Fin. (B)
Willson Stat. com.

New Lows—1946

Abitibi, $2.50 pf., n.
Acme Glove
Blue Ribbon pf.
Bk. Nova Scotia
B. C. Forest
Gord. McKay A
McColl-Front. pf.
Montreal Cot.
Tamblyn pf. 4%
Walker-Good. pf.

MINING

New Highs—1946

Akaitcho

New Lows—1946

Alger
Amal. Larder
American Y'fe.
Arntfield
Ashley
Astoria Q.
Athona '37
Aubelle
Aumaque
Bayonne
Bear Expl.
Beattie
Bobjo
Bouzon
Buffadison
Buff. Ankerite
Buff. Canadian
Bulolo Gold
Central Porc.
Centremaque
Coniaurum
Donalda
Duquesne
Duvay
East Malartic
East Sullivan
Elder
Eldona
Falconbridge
Federal
Found Lake
Frobisher
Giant Y'fe
Gillies L.
Goldale
Gold Crest
Golden Arrow
Golden Gate
Goldvue
Goodfish
Grandora
Halcrow
Hard Rock
Hasaga
Hedley M.
Heva Cad.
Hollinger
Homer Y'fe
Hosco
Indian Lake
Int. Uranium
Island Mountain
Jack Lake
Kay Rand
Kenville
Kirkland Lake
Kirk. Townsite
MacLeod
Madsen R. L.
Magnet
Malartic G.
Marcus G.
Marlow R.
Nicholson
Noranda
Norsemen
North. Canada
O'Brien
Pac. Nickel
Parbec
Paymaster
Pickle Crow
Pioneer G.
Pitt Gold
Powell Rouyn
Do., V.T.
Premier G.
Preston E. D.
Quemont
Richmac
Rouyn M.
Rush L.
Senator R.
Silbak Prem.
Springer Sturg.
Sullivan C.
Teck Hughes
Thurbois
Towagmac
Waite Amulet
Wasa Lake
Westville
Wright-Har.
Ymir Girl

OILS

New Lows—1946

Apex

DIVIDEND NOTICES

BLUE RIBBON CORPORATION LTD.

DIVIDEND NOTICE

Notice is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the preferred shares of the Company has been declared payable on and after the first day of August, 1946, to holders of record at the close of business on the 20th day of July, 1946.

Dated at Toronto this 3rd day of July, 1946.

J. R. WRIGHT,
Secretary-Treasurer.

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Canadian Association of Advertising Agencies Elects Officers and Directors at Annual Meeting

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President

HECTOR FONTAINE
Vice-President

HARRY M. TEDMAN
Secretary-Treasurer

At the Annual Meeting held recently in Toronto, the Canadian Association of Advertising Agencies elected for President T. L. Anderson, Vice-President and Managing Director, Cockfield, Brown & Co. Limited; for Vice-President, Hector Fontaine, President, Canadian Advertising Agency Limited; for Secretary-Treasurer, Harry M. Tedman, Vice-President and Managing Director, J. J. Gibbons Limited.

Directors elected were: R. H. Vickers, President, Vickers & Benson Limited; Russell C. Ronalds, President, Ronalds Advertising Agency Limited; J. A. MacLaren, President, MacLaren Advertising Co., Limited; T. E. Walsh, Chairman of the Board, Walsh Advertising Co. Limited; Morgan Eastman, Vice-President, McConnell, Eastman & Co. Limited; Adrian Head, Vice-President and Managing Director, J. Walter Thompson Co. Limited; Howard F. Baker, Vice-President, Baker Advertising Agency Limited.

Capacity Orders For Wool Combing

Earnings before taxes for Wool Combing Corp. of Canada for the first six months of 1946 are off about 10% from a year ago, a company official informs The Financial Post. After taxes, however, earnings will be on the same level as last year.

The company's Acton plants are currently operating at capacity and orders on hand are sufficient to ensure full operating level for the rest of the year. Active enquiries for future work promise a continuance of this high production level, the company spokesman says.

Little or no wool shortage is being experienced by most of the company's customers. A new department of French combing is being installed and essential equipment ordered some time ago in France is promised for shipment early next year.

The small reduction in earnings before taxes has been brought about through shorter working hours and increased wages, the official says. Earnings per share in 1945 were $1.36 excluding, or $1.82 including, refundable excess profits taxes.

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Chalmers' Diary

Biggest Chemical Plant Fooled Foe
Aeronautics' Progress is Astounding

Floyd S. Chalmers, Executive Vice-President of Maclean-Hunter Publishing Company Limited, is now in England, as one of a party of 17 Canadian publishers and editors, attending the Imperial Press Conference. Following is the Sixth of a series of articles.

York.

MONDAY. A visit to the largest chemical plant in the British Empire, I.C.I's Billingham works, with 15,000 employees. Vast plants, involving complex chemical processes, beyond the comprehension of most of us. My lay mind was impressed by the architecturally beautiful "silos" for storing ammonium sulphate, each one as beautiful as a cathedral and capable of holding 85,000 tons of fertilizer; by the fact that petrol made by hydrogenating coal costs twice as much as other petrol, but was invaluable during the war; by the fact that this enormous plant, on the very east coast of Britain was scarcely touched by German bombs. (An elaborate decoy system caused the Nazi fliers to waste their bombs a mile-and-a-half away).

Canadian delegates to the Empire Press Conference are piling up flying time as they travel over England and the continent. Here are four members of the party between flights. Left to right, Floyd S. Chalmers, executive vice-president, The Maclean-Hunter Publishing Co.; R. M. Cantlon, Saskatoon Star-Phoenix; C. G. Dunn, Quebec Chronicle-Telegraph, and H. A. Graybill, Windsor Star.

Then a few hours—too few—in historic York, where there were no speeches, no formality, just a chance to see one of Britain's most historic towns. I asked my driver to take me to the old Shambles Way. The houses that kiss each other as the top stories almost meet across the winding street have always been, to me, the most interesting bit of old England extant.

But the Shambles Way is disintegrating; the health inspector has condemned most of the houses, and there is a drive among the city's modernists to tear down the old houses and replace them with modern ones. My driver was one of the modernists; the old houses were, he said, nothing but a source of T.B.

He pointed to the historic Queen Margaret's Gate, which slows up traffic on a main thoroughfare. "It's just an obstruction to motor cars; tear it down," he said. But later I was told that a combination of antiquarian appreciation and a desire to get tourists will probably save York's ancient beauties from the vandals of modernism.

Overnight we parked on a quiet siding on Marston Moor where Cromwell defeated the Royalists in 1644. But more important than any historical dates, was the discovery of a pub that had some beer. The publishers got more fun out of darts and dominoes than out of the second largest chemical plant in the world.

• • •

Provincial Papers Are High in Quality

TUESDAY. One of the joys of a trip like this is that one meets again youngsters who were "evacuees" in Canada during the war. I met two of my young friends in Edinburgh and four here today. But how rapidly children grow up! One boy who came over in 1939 at the age of 12, who later spent a summer as a messenger at Maclean-Hunter, is now an officer in the army.

Labor is more plentiful in the northern industrial areas than around London and the heavily blitzed cities. Too many industrial plants are located where a large proportion of the houses were destroyed. It will take a long time to sort out the workers but meanwhile, distribution of the working force is very uneven.

As one travels about the Isles, one is impressed by the high excellence of the provincial newspapers. Papers such as the Manchester Guardian, Liverpool Post, Glasgow Herald and Yorkshire Post (to mention only some of those whose staffs we have met) are world famous. They give top-rate news coverage, despite the thin ration of newsprint. None of those mentioned have large circulations. They are topped in numbers of readers by the local dailies owned by the great chains and the local editions of the big London dailies. These latter emphasize sport and entertainment and have but few columns for "hard" news. But influence and prestige do not run hand-in-hand with mass circulation in Britain any more than elsewhere.

Today we saw two or three aspects of Leeds' busy life; its vast housing projects (pre-war); its lovely art gallery, which is furnished as a "living" house; its clothing factories and its great newspaper, The Yorkshire Post, owned by the Beckett family and edited by W. L. Andrews. And so to London, after 10 fruitful days of gracious hospitality and visiting with the folk of England and Scotland.

• • •

'Resistance' Story Can Be Told Now

WEDNESDAY. The Air Ministry showed us a group of Air Force films, based on material that could not be released during the war. Most interesting was a full length picture "Now It Can Be Told," which recreates incidents in the dropping of British agents to contact the "Resistance" in France, played by the actual persons who participated in that heroic enterprise. The picture is "two-sided," in that captured German films tell what happened on the other side. A notable successor to "Desert Victory" and "The True Glory," it will be ready for release in a few weeks and should play to good houses in Canada this winter.

• • •

Aeronautics' Progress Astounding to Laymen

THURSDAY. The advances in aeronautics that have come out of the war are staggering to a mere layman. They will alter the whole complexion of air travel and transport beyond recognition. Today the Royal Aircraft Establishment at Farnborough (the U. K. equivalent of Wright Field) put on a "British Air Fair" for us, assembling all the secrets of the war, all the developments of the present and the promises of tomorrow for us. When they got this vast show together, including, for example, one of every type of British civil and military craft, it was such an impressive display they decided to keep it running for four days and let the public see it, after our preview. It would be boring to recount the whole story but naturally I was particularly interested in the beautiful luxury airliner, Avro Tudor II, which I understand will be made at Malton near Toronto; and de Havilland's sleek Dove, also to be made in Canada.

We saw the little movable cabin built so that Winston Churchill could travel during the war at any height in any plane and still not be above the atmospheric pressure of low levels. It was about the size of a train berth, but was replete with reading lamp, bookshelves and a place for cigars and water (or other bottles). I am sure Mr. Churchill must have been as comfortable as a cherubic chick in a lucite egg.

We played with bombsights and "sank" submarines. I was allowed to operate the radar equipment and picked and located airplanes flying for many miles around us. Even adults enjoy new toys!

A happy interlude was a reception at Ontario Agent-General J. S. P. Armstrong's flat for Hon. Geo. H. Dunbar, Minister of Reform Institutions and Municipal Affairs for Ontario, as well as Mr. Justice Hope, chairman of Ontario's Royal Commission on Education, and John G. Althouse and Cecil C. Goldring, who are with him.

• • •

Hear 'Press Lords' May Regret Title

Then to the Mansion House, traditional home of pomp and elegance, loaned by the Lord Mayor for a dinner given by the newspapers of Britain. Tonight the formalities seemed to take second place to warm hospitality and good spirit. A delightfully informal evening was spent. All the "press lords" were there; it seems that London has a lot of them now. But Col. J. J. Astor, of The Times, remains "Colonel" Astor. One hears that certain of the lords and viscounts feel they should have remained plain "misters."

It takes many years to work one's way up to the chair of Lord Mayor. First one has to be elected a councillor; after a few years one may be elected an alderman (there being one for each of the "City of London's" 28 wards). An alderman is elected for life. The king selects the sheriff from among the aldermen and after a year in that ancient and honorable post, an alderman may be in line for selection by his fellows as lord mayor. He serves for one year; gets £10,000, spends at least £25,000; is made a baronet; and traditionally adds another piece of fine gold plate to the Mansion House collection. Aldermen and lord mayors have no politics; most of them are "city" businessmen. Incidentally, the population they rule over is small. Because of bombing, there are only about 12,000 domiciled in the "city." But the voters' list is longer; everyone with even a business address gets a vote.

After the Mansion House dinner, about half of our party visited The Times offices and plant. What a sterling group of men—in both editorial offices and mechanical plant—produce that leader of world journalism!

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'Break' to Writers Won't Aid 'Earth, High Heaven' Author

OTTAWA (Staff)—The big windfall which came to a Canadian author by her best seller "Earth and High Heaven" had something to do with Ottawa's decision last week to let authors, artists, etc., "average" their lump sum income over previous taxation years.

Under the proposed budget resolution, authors or joint authors of a literary, dramatic, musical or artistic work which extends over a period of more than 12 months, but the copyright of which is assigned wholly or partially in 1946 or a subsequent tax year, may "attribute" such income over "certain previous taxation years."

Though "Earth and High Heaven" was probably the cause celebre of this resolution, the author of that notable work will not benefit as the amendment is not retroactive beyond 1946 income. However, it is understood that this particular situation (as with others of like character in the past) was settled by mutual agreement with income tax officials. From now on it won't be necessary for each author to plead his case individually, the proposed resolution lays down the general pattern for treatment of this type of income.

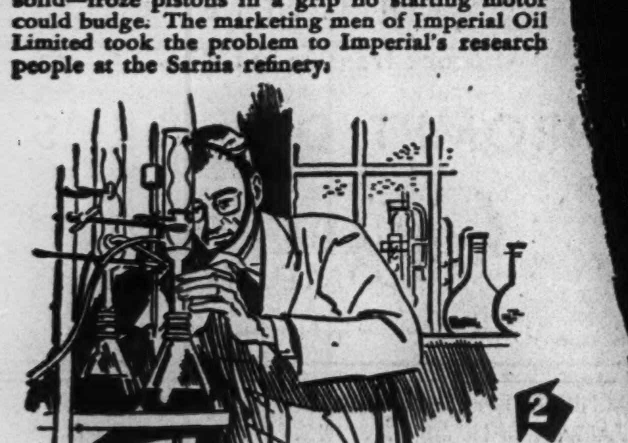
INTERESTING FACTS ABOUT OIL

How a Canadian Discovery Helped Motorists Throughout The World

1

MEETING ZERO'S CHALLENGE!

Not so many years ago, wintertime was a nightmare for motorists. Even wax-free motor oils became solid—froze pistons in a grip no starting motor could budge. The marketing men of Imperial Oil Limited took the problem to Imperial's research people at the Sarnia refinery.



2

RESEARCH GOES TO WORK

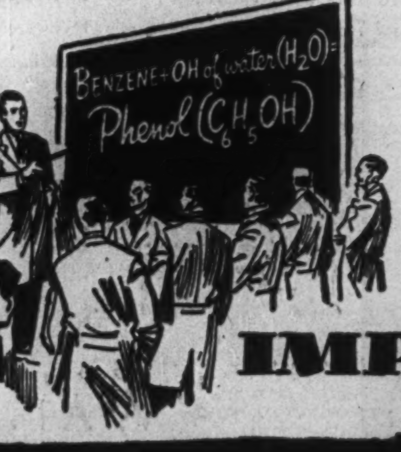
The research men at Sarnia had been studying the problem. They knew that what caused the trouble were certain undesirable "hydrocarbons" left in the oil by the refinery processes then used. They knew how to get them out—but the cost would be so high, few would be able to afford the oil. So they went to work along new lines.

3

DIGGING FOR THE SECRET

The researchers dug into every textbook ever written on oil chemistry. Because research usually begins in the library before the laboratory, Imperial Oil has built up one of the largest collections of books on petroleum science in North America. From their reading, the research men decided that the best hope of removing the unwanted hydrocarbons lay in developing a practical solvent* process.

*A solvent is a chemical having the property of dissolving and forming a solution with another substance.



4

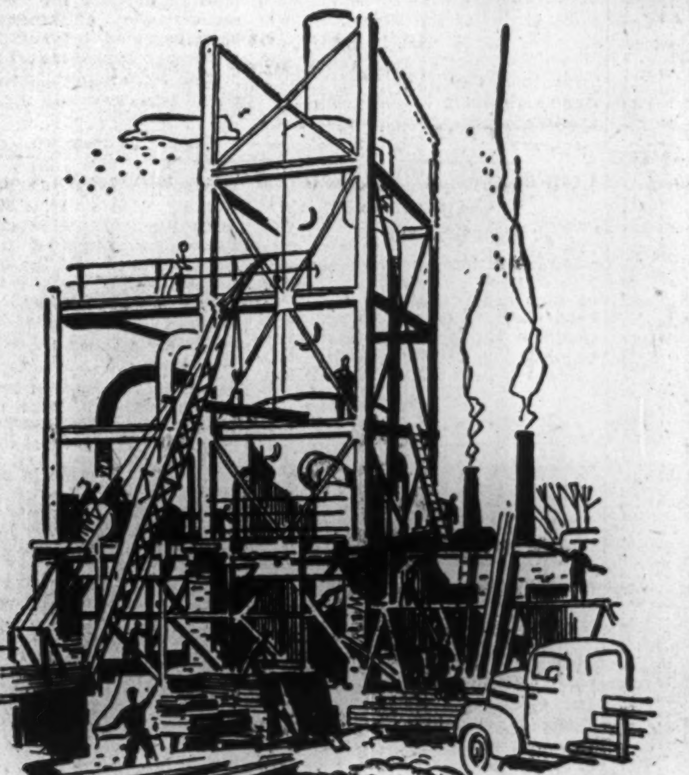
PHENOL WAS THE ANSWER

The work in the laboratory was now intensified. Finally, the research people found the secret in a solvent called Phenol. They discovered that Phenol would dissolve out the undesirable elements in the oil, so that the purified lubricating oil could then be drawn off separately. *And most important of all*—the Phenol could later be removed from the leftover mixture of oil-thickening hydrocarbons and used over and over again.

5

BUILDING THE "PILOT PLANT"

This "reclaimability" of solvent was tremendously important. Phenol was costly. If more than *two-tenths of one per cent* of it were lost in the refinery operation, the finished oil—even though far superior—would be too expensive. So the research men built a "pilot plant"—a miniature oil refinery—in which they could test the process in a practical way. They found they could recover only 98% of the Phenol solvent—a loss of 2%. But they were confident enough to promise a loss of not more than 2/10 of 1% in full-scale refinery operation.



6

MAKING A GREAT DECISION

To translate the "pilot plant" into the giant tanks and towers of steel and concrete required for volume refining was estimated to cost about three-quarters of a million dollars. If the vital 2/10 of 1% loss were exceeded after the costly work was done, all that money and work would be expended in vain. But if the gamble paid off, a revolutionary new refining process would result . . . millions of car and truck owners would benefit. It was a nerve-wracking decision for Imperial Oil Limited to make . . . but the go-ahead was given.

7

A DAY THAT MADE HISTORY

Imperial Oil construction engineers went to work. Then came the great day! In full operation, the brand-new phenol plant showed solvent losses actually *less* than the research man's dream of 2/10 of 1%. The new Phenol Processed oil was the *first* "solvent-extracted" oil ever made that would flow freely at far below zero—yet retain full body and viscosity at high speed temperatures.

8

ADOPTED 'ROUND THE WORLD

In one form or another, the new solvent process was almost universally adopted the world over . . . to bring to car and truck users everywhere the benefits of this great Canadian discovery. Up to 1939 (latest available figures) the Phenol extraction process, developed in Canada, was used to produce over one-third of *all* the oil processed by modern methods in refineries everywhere.

9

GREAT THINGS TO COME —FROM IMPERIAL

The Phenol Process is not the only long forward step made by Imperial Oil people in their efforts to make consistent improvements in the quality of their products. Today, the work of research goes on. Tomorrow, great new things will be manufactured from petroleum . . . new and better products which will contribute to the health, safety and better living of the Canadian people.

IMPERIAL OIL ★★★ IMPERIAL PRODUCTS LIMITED

The Financial Post

Vol. XL Publication Office: Toronto, July 13, 1946 No. 28

Civilian Wardrobes Are Still Bare But Textile Abundance Is Nearer

Increased production facilities and empty retailers' shelves, is the strange story of the Canadian textile industry today.

Today the textile picture is one of scarcity, but abundance lies just over the horizon. Three developments in the industry promise Canadians a greater variety of materials than ever before known in the textile field. They are:

1. Improved machinery turning out more yards of cloth per man-hour.
2. New sources of raw materials. We no longer have to depend on sheep, flax, cotton and silkworms for our textiles. Many of them were born in test tubes.
3. Cloths made now last longer than they used to. New finishes make them more durable, giving longer wear even under more severe conditions.

Shrink-proof, flame-proof, moth-proof, mildew-proof, water-repellency are just some of the new or perfected qualities to be embodied in postwar clothes and fabrics. Others are in the earlier development stages.

Shoppers are deriving little satisfaction from WPTB surveys, reportedly finding adequate supplies existing in many textile lines. The would-be buyer, unable time and again to buy the clothes he needs, keeps remembering that the war has been over for almost a year now and most returned servicemen and women are already back in civilian life. "What is the trouble?" he keeps asking.

The supply situation in men's suits is worse than ever before; no improvement has appeared yet in the men's shirt, shorts and pyjamas picture. Nylon hosiery is still scarce and cotton sheets and fine wool blankets are almost impossible to get. Against this, women's and children's dresses continue in good supply. Women's cloth coats are fairly plentiful and in good range.

It's Worse In England

A sharp improvement in the supply picture in almost every textile line is promised by manufacturers for next spring. In the meantime Canadians will have to pull their (clothing) belts a little tighter, retailers say, and think of the threadbare Englishman.

The national income is running over double that of pre-war—suit-making capacity isn't, but that is only half the story in the current shortage in men's suits.

Actually, the industry expects to turn out approximately 1.5 million men's suits this year—roughly 300,000 more than last year, or any pre-war year. Production for the first three months of 1946 was almost 30% higher than for the same period last year, a WPTB official informs The Financial Post. But even at this increased production rate it will be well on into next spring before output can effectively start whittling down demand, manufacturers say.

By the end of April, 441,000 suits had been delivered on priorities to returned servicemen, the WPTB official informs The Post. This represents approximately 36% of 1945's total suit production, without even taking into consideration the extra suits purchased "on their own" by many wardrobe-bare ex-servicemen. This has left well under 750,000 suits, or less than 65% of a normal pre-war consumption rate to spread over the rest of the suit-starved population.

Retailers Co-operate

Retailers, co-operating with manufacturers who were required to earmark at least 35% of production for returned men, have been setting aside a sizeable proportion of their cloth and ready-made suits for sale to servicemen and women only. It's good business, retailers admit, as well as being a moral obligation. For they (retailers) can get comparatively rapid replacements for priority sales from the manufacturers, who in turn have been able to replace their precious cloth readily from the Canadian Wool Board. This makes for rapid turnover, more sales in a year. Manufacturers are reported to have been engaged almost 90% on priority orders at certain periods of the year.

A recent WPTB announcement removes the priority clause as of July 1, 1946. The Canadian Wool Board apparently has enough reserve cloth on hand, or order, to take care of the 50,000 servicemen still to be discharged. To whom manufacturers and retailers sell their cloth and suits now, is entirely a matter of company policy.

A certain part of this year's increased production rate has been a direct result of special allocations of worsted fabrics from the United Kingdom. Besides this, worsted fabrics ordered in the United Kingdom in 1945 are now arriving steadily, and shipments are expected to be maintained throughout the rest of the year.

Meet Abnormal Demand

The all-out effort of the Canadian woollen mills in meeting not only the abnormal wartime demand but the equally abnormal peacetime demand has been remarkable, records show. At the present rate of production, as much woollen and worsted cloth will be turned out in the first eight months of this year as was produced in an average pre-war year (1936-39). Output for the civilian market for the first five months of 1946 was up 43.6%, even, from the corresponding period of last year—and is still rising.

This rising production trend has considerably offset the sharply curtailed imports of woollen and worsted fabrics from the British Isles. In 1945, imports from war-disrupted Britain had fallen about 30% from pre-war levels. This year, imports are on the up-grade again and at the end of five months had increased 37% over the corresponding period of last year.

The cotton picture has not helped the suit situation. Tailors and suit manufacturers depend on supplies of cotton fittings such as pocketings, facings, shoulder pads, tapes and threads. Cotton is in about as tight supply now as it ever was during the war. The Combined Textile Committee, due to high and somewhat increased demands and little or no improvement in yarn or fabric capacity, had to continue to hold down Canadian allocation of yarns and fabrics to a percentage of Canada's minimum requirements. In addition, obtaining of cotton supplies has been rendered more difficult because of the price spread existing between Canada and United States.

It is generally admitted that un-

(Continued on page 25)

The A B C of Synthetic Textiles

New names are populating the synthetic textile world so rapidly these days that a product census can scarcely keep up with the growth. From product development laboratories in the United States, principally, but also in England and Canada, come the technical plasticizing processes, to have their tongue-twisting technical nomenclature reduced to market-wise trade names by advertising men.

The buying public, wholesalers, and even manufacturers might be excused if they are just a bit confused. This Financial Post roundup of synthetic textiles now on the market or about to appear, lines up new names, companies and principal properties.

ARALAC — National Dairy Products Corp., New York, a protein fibre resembling wool, usually blended with spun rayon, wool or cotton, also used in felts and as an interlining for coats. Loses strength above 212 deg. F., decomposes at 450 deg. F., resistant to mildew.

ARDIL — Imperial Chemicals Ltd., England, made of peanut fibre, used in combination with wool but not successfully alone. Cheaper than wool, and mothproof.

ARISTOFLEX — Canadian General Rubber Co. Ltd., a resin film material produced in clear colors, can be coated over printed fabrics, waterproofing them. Will not deteriorate like rubber.

CONTRO — Firestone Tire & Rubber Co. of Canada Ltd., an elastic yarn which can be covered with silk, cotton, rayon, etc., for making girdles, swim suits, hosiery, dresses, etc.

FIBERGLAS — Fiberglas of Canada Ltd., glass drawn into fine filaments, spun into yarn for weaving, can be made into fabrics that are fireproof, washable, proof against moths, mildew, etc. Too coarse for use alone in clothing as it is heavy and nonabsorbent. Suitable for drapes, upholstery.

FORTISAN — Canadian Celanese Ltd., a high tenacity yarn of great dry tensile strength, not yet on the market.

KOROSEAL — B. F. Goodrich Rubber Co. of Canada Ltd., one of earliest polyvinyl chlorides (first produced in 1926), has thousands of industrial uses as well as in items for consumer use in home furnishings and in wearing apparel — millinery, sportswear, wallets, baby pants, umbrellas, luggage, tents, etc.

KRENE — Canadian National Carbon Co. Ltd., a plastic with vinyl resin base, details not yet available.

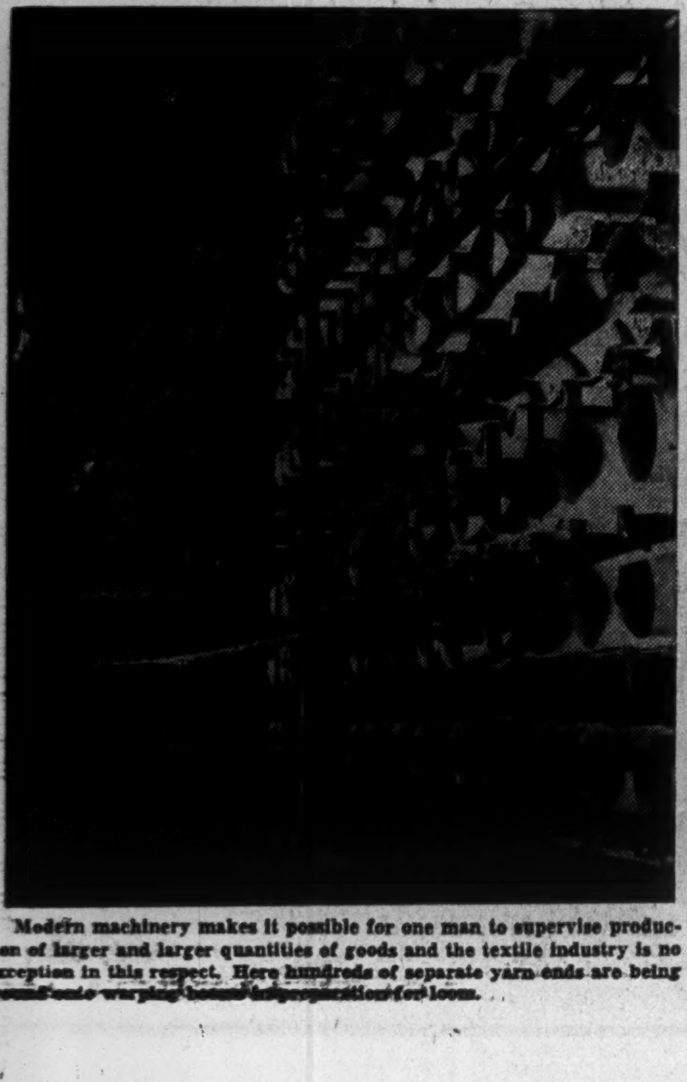
NYLON — Canadian Industries Ltd., one of first synthetic textiles, higher tensile strength than silk, non-absorbent, will not shrink or stretch, mothproof, mildewproof, will not support combustion but will melt at 460 deg. F. Can be set, pleated, etc., and will hold its shape. Future seen in lingerie, foundation garments, millinery, as well as hosiery, alone and in combination with other yarns.

PLEXON — A coating over rayon, cotton or other yarns, used in handbags, hats, upholstery fabrics.

PLIOFILM — Goodyear Tire & Rubber Co. of Canada Ltd., a transparent plastic film, used primarily in packaging, experimentally in fabrics in the United States.

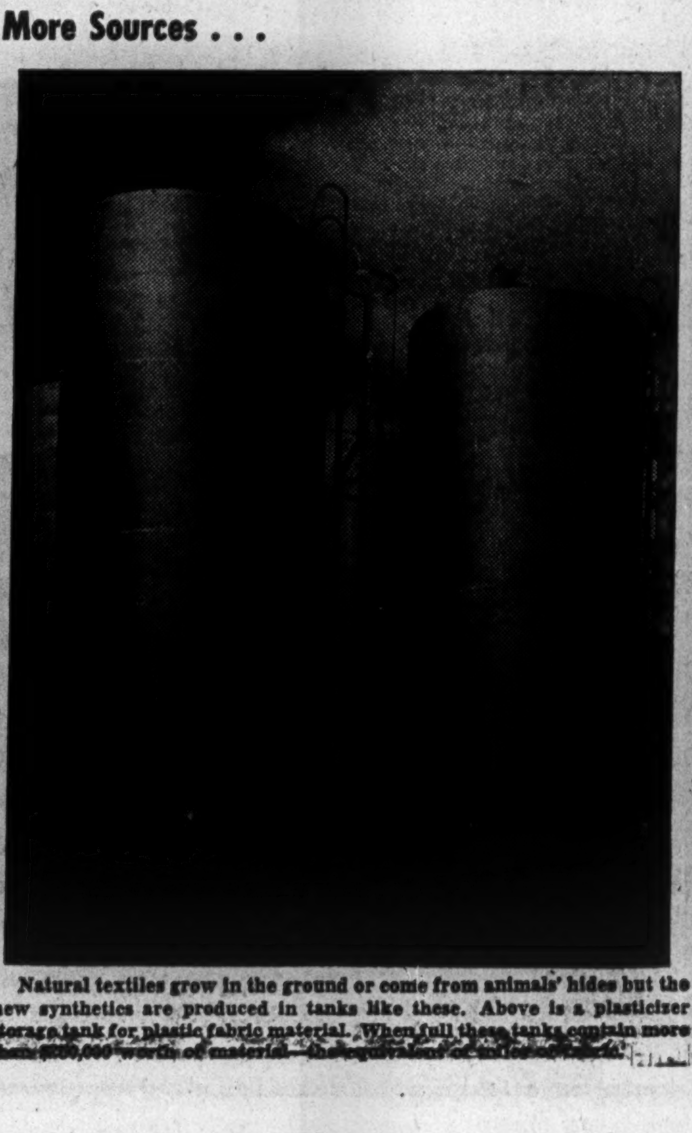
(Continued on page 25)

Better Production . . .



Modern machinery makes it possible for one man to supervise production of larger and larger quantities of goods and the textile industry is no exception in this respect. Here hundreds of separate yarn ends are being wound onto warping beams in preparation for loom.

More Sources . . .



Natural textiles grow in the ground or come from animals' hides but the new synthetics are produced in tanks like these. Above is a plasticizer storage tank for plastic fabric material. When full these tanks contain more than $200,000 worth of material—the equivalent of miles of fabric.

Greater Durability . . .

More and more woollen and knitted goods companies are developing special processes to make their cloths shrink-proof, moisture-proof, mothproof. This in turn means longer life for garments and adds to the long- [illegible]

For outdoor wear this miss is shielded from the weather by vinyl resins. Her raincoat, kerchief and umbrella are of transparent film, sold under a variety of names. Her shoes, handbag and hosiery could be plastic too.

In the kitchen the vinyl synthetics are popular too. On Canadian counters are readymade aprons, bowl covers, ironing board pads, table covers; and yard goods in a variety of patterns for making up curtains.

Unnatural Rivals for Natural Resources Made by Chemist, Accepted by Customer

It used to be that our clothing was grown by man in his fields or by animals on their backs; but today it's made in test tubes. Not that the sheep is obsolete, or the silkworm completely passé; but they are encountering hitherto unsuspected rivals from such diverse sources as seaweed, soybeans, milk, glass, carbon, and peanuts—yes, peanuts.

Scarcely a day goes by but some industrial research laboratory comes up with another material miracle for the advertising people to christen. Pretty soon there will be a whole alphabetful of synthetic textiles. They run all the way from Aralac to Vitafilm already. Many are already on the market, taking the place of scarce natural fabrics; others are still in the laboratory stage.

Biggest family in the field to date are the vinyl products. Koroseal, Vinylite, Krene and a half dozen other man-made films and fabrics share a common vinyl resin starting point, differ only in the plasticizing or mixing process and in styling. A vinyl resin is a chemical combination of limestone, coke and salt.

The vinyl products go into film form to make yard goods, shower curtains, raincoats, tablecloths, and a score of other items where waterproof qualities are an asset. The vinyls are also used in coating other fabrics such as cotton, rayon or nylon destined for upholstery, drapes, lampshades, etc.

Veteran of 20 Years

Koroseal, first produced by the B. F. Goodrich Co. in 1926, was one of the earliest of the vinyl resin group. It is, technically, a plasticized polyvinyl chloride. Polyvinyl chloride itself had been on the chemist's "useless" list for half a century before research showed a way to modify it. Properties claimed by Koroseal are resistance to sunlight, heat, cold, chemicals, oils, moisture and abrasion—all of which make it important to industry as well as to the housewife.

The vinyl products generally share many of these Koroseal advantages in greater or less degree. They will all remain waterproof indefinitely, won't crack or dry out, are not completely fireproof but burn very slowly, will not tear easily. Most tend to become hard in a cold atmosphere. A competent wholesale drygoods man terms any of the well-made vinyls "fundamentally sound;" and his firm is expecting a real market for them, plans to handle a complete range.

"Since satisfactory basic materials will be available for all manufacturers of the vinyl products, we believe the designing of the product will be the major selling weapon," Robert F. Chisholm, sales manager and vice-president, Gordon Mackay & Co., told The Financial Post.

Another fabric with a future is Fiberglas, which is precisely what the name suggests — glass, drawn out to threads finer than a human hair, spun into yarn, woven into fabric. It has all the obvious properties of glass — a noncellular structure which cannot absorb water, oils or other liquids and so cannot swell or soften when wet; chemical stability, complete noninflammability. Its major field to date, outside industry, has been in spots like the dining room of the Latin Quarter, the Bal Tabarin, and the Roxy Theatre in New York. For fireproofing the walls and ceilings and stage curtains of these crowded places, Fiberglas has been endorsed by fire prevention officials in the United States.

May be Worn Soon

In clothing, Fiberglas has not yet arrived, because of its inability to absorb moisture, its lack of elasticity, and a tendency to irritate some skins. A new Superfine Fiberglas, however, about one tenth the gauge of regular Fiberglas, shows promise. It is being tried out now as an insulating interlining for windbreakers and overcoats. Reported under development is a process to produce a staple glass material for the clothing makers.

Like the other synthetics, Fiberglas has its applications in combination with other yarns of wool, cotton, rayon and nylon. To these it adds dimensional stability, resistance to high temperatures, strength. It will help a fabric to retain its shape regardless of humidity conditions.

The real babies of the synthetic textile family are these youngsters transformed out of seaweed, peanuts, soybean, and what-have-you. But names like Ardil (made from the protein of the peanut itself), Soylon (from soybean), Aralac (from milk), and the Alginates (seaweed) will be contenders almost before you can learn their names. Work on these to date has been chiefly in combining them with other yarns, to give the old stand-bys wool, silk and cotton a "plus" quality that will help keep them out in front in this 20th century textile race.

Sales Reception

How are the synthetics being taken by the public? That's a question that product development workers with companies like Goodyear Tire & Rubber Ltd., Fiberglas of Canada, Canadian National Carbon, and a score of other chemical and rubber companies would like to have answered before they go too far in plant investment.

Sales experience has been short with many of these fabrics like Koroseal, Vinylite, Krene, Wataseal, but The Financial Post is told by leading department stores that they are going very well both in yard goods and in made-up specialty items. Women shoppers are not yet familiar with brand names—they're all "plastic" to them—and few of them are curious about the scientific background of these vinyl resins. They find prices competitive with comparable natural fabrics, patterns newly designed, and advantages in crease-resistance, washability, mildew- and crackproofness.

Wholesalers and retailers alike are launching educational campaigns to teach sales staffs and consumers what can be reasonably expected of the plastics, how they should be cut, sewn and handled. The Post is told few complaints have been received from users of these fabrics.

Policy of responsible dealers is to make no outlandish claims for these new vinyl products. One firm includes this paragraph in a frank summary of the field currently available: "Fundamentally, the vinyl products are sound and we expect they will take a substantial place in the textile industry. When they are properly made, they will not crack or dry out, and they will remain completely waterproof indefinitely. The film is sturdy and does not tear easily. It is not completely fireproof, but it burns very slowly. The ordinary types of film get quite hard in a cold atmosphere."

Rayon Cord Promises Better Synthetic Tires

Textiles are coming back. Mills, all across Canada, their capacities greatly increased by installation of new machines to meet the wartime demand, are gradually getting into peacetime production. Although shortages still exist and will continue for some months to come, the long-range trend is definitely up.

To the housewife this means more materials for dresses and curtains and slipcovers, a wider variety of patterns to choose from and a better finished product as new processes and finishes reach the market. But the coming abundance of textiles means good news for the motorist, too.

Here is how the textile trend affects the motorist:

1. As nylon production increases, it will be used for many articles now made of rayon.
2. As rayon is replaced by nylon for certain types of fabrics, more of it will be available for other uses.
3. One of the most important uses for rayon will be in the manufacture of rayon cord for automobile tires. At present only heavy-duty truck tires are made with rayon cord in Canada; the rest are cotton. Research engineers have found that tires made of synthetic rubber are equal in strength, durability to natural rubber tires made with cotton cord. They will stand up to high speeds and perhaps even outwear the old natural rubber product.

Proved in War Service

Claims made for synthetic rubber tires built with rayon cord are adequately substantiated in their record of war service. The early cotton-cord synthetics got hot, blew out, were skiddy, wore out fast but couldn't be driven fast. The rayon-corded synthetics will run cool, have a high safety-factor against blowouts, may be driven safely at high speeds, will be no skiddier than their natural rubber counterparts, and they'll have plenty of durability.

Rayon was used in some passenger-car tires sold before the war, but after 1940 practically all of the stuff went into war materials and since then rayon has only been used in heavy-duty truck and bus tires. Now it is conceded that eventually, practically all passenger car tires will be built on rayon cord carcasses. Their great advantages over tires made with cotton-spun cords is that they are more flexible, [illegible] smoother-riding tire safer, wear better and last longer.

How soon tire manufacturers can supply the Canadian market with tires made with the new-type rayon cord depends upon how quickly rayon producers can fill their demands. The latter will turn more and more of the stuff the way of the tire industry as the output of nylon steps up to take the place of goods at present fabricated with rayon.

The new rayon cord is technically described as "2,200 denier" or double the rating of the former "1,100 denier" type. The term denotes diameter and strength of the cord. Engineers point out that adoption of the stronger cord is another step forward on the part of the industry in the comparatively short time it has taken to adapt rayon to building heavy-duty, long-wearing tires.

First experiments in use of rayon cord in tires were made in 1929. By 1937, these tires were top favorites among bus and heavy transport users, and by the time the war came along, the general motoring public was beginning to clamor for them. Most passenger-car owners are still happy to take what they can get, but tire makers can hear in the distance the give-us-rayon-cord-tires cry.

Synthetic rubber tires, built on cotton cord, rated only 50% the value of natural rubber tires, have since risen to an evaluation of 80% to 90%. Now both manufacturers and research engineers believe synthetic tires with rayon cord will actually be better than pre-war natural rubber tires. They are lighter and stronger than those made with cotton cord. Because rayon cord is finer, tires can be built with lighter ply, thinner than cotton-cord tires, but still stronger.

Contrary to what might be expected, engineers point out that thinner synthetic tires last longer, wear better. Because they are thinner, they run cooler, generate less cord-weakening heat, and the rubber doesn't deteriorate so rapidly. Furthermore, since all textile cords tend to weaken with higher temperatures, but rayon cord being stronger than cotton cord in the first place, the synthetic rubber tire with rayon cord is a stronger tire under driving conditions which make for hot tires.

Nylons Are Still Stronger

Strongest of the tire cords is made with nylon. Such cord went into aircraft tires, the giant casings

(Continued on page [illegible])

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WOMEN'S DRESS GOODS
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Robert D. Leaper & Co., 205 Canada Bldg., Winnipeg, Man.
G. H. Morency, 312 Guilmette Bldg., Quebec, Que.
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Men's Wear Fabrics
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Dominion Woollens & Worsteds Limited

Rayon Fabrics Are at Premium Today But Producers Seek Market for Future

Supplies of rayon fabrics today are probably the best of any textile material. Dress manufacturers say they have no trouble getting supplies and retail stores are able to offer a fair range of fabrics and prices. Most complaints right now are coming from jobbers who have jumped into the business since the end of the war. While most cloth manufacturers are encouraged at the prospect of more customers, present production does not permit them to supply many new accounts.

One company states that it has received orders from more than a thousand new accounts but has had to turn most of them down. The Veterans' Affairs Dept. has asked fabric manufacturers to earmark a percentage of their production for war veteran jobbers, but there are no enforcing regulations.

During a recent shortage of rayon linings, a WPTB investigation disclosed that some jobbers were holding exceptionally large inventories. Whether large-scale hold-backs will become more widespread remains to be seen but Prime Minister King's recent hold-the-line radio address would seem to indicate that the practice of holding material in the hope of a sudden rise or removal of ceilings has little to recommend it at least for the immediate future.

Raids From U. S. Possible

Another factor, however, may affect the supply situation with OPA in the discard. Should U. S. prices skyrocket, some U. S. buyers are likely to try to buy up Canadian textiles, rayons included, under the price ceiling here. If U. S. raids reach sufficient proportions to affect the Canadian supply, most observers think WPTB will step in with a restraining hand.

But the biggest complaint among silk and rayon manufacturers, particularly fabric makers, is against continuation of government controls. Hardest of these to bear is the Canadian duty on imported raw rayon (fibre staple, filament yarn) for use in cloth for the domestic market.

At present in Canada there is only one viscose (wood base) fibre producer and one acetate (cotton base) producer. While fabric manufacturers are satisfied with products obtainable in Canada, they feel there is not the choice which is available in United States. Also research facilities of Canadian rayon producers are said to be limited and might result in this country's falling behind in styling. In their brief to the Trade & Tariff Committee it is understood that fabric manufacturers have asked for free entry of certain types of rayon fibre and yarn. Present duty is said to be 28c. a pound.

Lose Old World Supply

Before the war, some raw rayon was purchased from England; and Netherlands viscose fibre, formerly used here, is said to be best of all. Neither of these sources can now supply Canada and cloth manufacturers fear they will lose out in the export market if they do not get more supplies of raw material at prices comparable to those prevailing in United States. It is understood that two million pounds of raw rayon was recently shipped from England to United States.

Rayon cloth manufacturers fear that unless they can develop the export trade now, they will be left with large quantities of unsaleable yard goods once the world shortage has been met. With greatly increased capacity over pre-war years, they look to the export market to prevent rayon cloth from becoming a drug on the domestic market.

Some improvement in raw material production, however, is now under way with Courtaulds (Can.) Ltd. and Canadian Celanese, the two Canadian rayon manufacturers, just about ready to start operations in new plants. Courtaulds will be able to supply viscose staple fibre, which has had to be imported until now. Canadian Celanese, with its expansion program at Sherbrooke, will be able to do a better job of supplying fabric manufacturers with the various forms of acetate rayon. Canadian Celanese plant was originally designed to supply only its own cloth mills, but during the critical war years part of its production went to outside mills.

Production Up

Production of filament rayon yarn has shown steady improvement since 1943, when it totalled 22,114,000 lb. In 1945 the total was 24,026,000 lb. In addition to filament yarn, supplies imported and domestic tire yarns amounted to 11,842,000 in 1945, compared with 6,506,000 lb. in 1944. Imports of staple rayon fibre dropped last year to 6,924,000 lb. from 7,375,000 in 1944. Rayon fabrics also moved up in 1944 and 1945 though they did not reach the 1941 peak. Imports of rayon fabrics moved up last year to 8,406,000 yards from 7,255,000 yards in 1944. Estimated per capita consumption of rayon fabric in 1945 was 7.33 yards, a slight increase over 1944, but close to double 1936 consumption of 4.26 yards per person.

Although there has been little or no silk on the Canadian market as yet, manufacturers here are hoping to get at least token shipments this year. Some 12,000 lb. have been received in United States and until recently it appeared that Canadian users would have to get their supplies from that country. The Canadian Government, however, has now appointed a representative to sit on the Allied Commission in charge of the distribution of Japanese production and it is likely that Canada will now get her own quota of Japanese silk.

Some Italian and Chinese silk has been available, but little of it has gone into civilian production. It is unlikely that silk will enter into many fabrics in the near future, since the price, around $8.50 per pound, is likely to be prohibitive except for luxury items.

Belding Corticelli

Belding Corticelli Ltd. manufactures silk and rayon threads for all purposes. Output consists of thread, ribbons, braids, tapes, elastics, embroidery cottons, hosiery, knitting yarns and fabrics. The company is said practically to control the market in Canada for silk and rayon thread. Factories are operated at Montreal, St. Johns, Que., and Coaticook and branch warehouses and offices are maintained in Montreal, Toronto, Winnipeg and Vancouver.

Operating profits for the year ending November 30, 1945, were $605,839, ($58,193 the previous year). Net profits rose to $131,374 from $126,206.

Considerable new machinery and equipment was installed in 1945, following relaxation of some wartime controls and lifting of others, it was stated in the annual report. Sales in the first two months of the fiscal year were below those of a year ago, due to lack of war contracts. The company expects its first shipment of raw silk from Japan this year probably through the United States.

Bruck Silk Mills

Bruck Silk Mills Ltd. manufactures pure and artificial silk dress goods including Canton crepe, crepe-de-chine, silk and wool crepe, satins, chiffons, satin crepe, flat crepe, fancy novelties, silk yarns and prints. In 1937, in order to diversify the company's activities and lessen its dependency on silk and rayon sales, a new line of fabrics was added to products of the mills, including lining for the garment trade, scarving material for the corset and bathing suit trade, a range of footwear fabrics, special fabrics for use in mattresses, pillow slips and bedspreads.

The plant consists of 11 buildings covering some 16 acres of land at Cowansville, Que. Orders were placed in 1945 for new weaving, dyeing and finishing equipment. A new $300,000 plant, being constructed by the City of Sherbrooke, will be leased to the company for 15 years, the company retaining the right to purchase the land and building at any time. Construction is expected to be completed at an early date.

Net profit in 1944-45 increased to $87,075 from $65,528. Standard profits were determined in 1945 which, together with minor adjustments, resulted in increasing the previously estimated provision for tax liability by $188,902. In addition, subsidies were refunded to the extent of $199,115 on which income and excess profits taxes totalling $197,500, were recoverable.

Export of Bruck fabrics is expected to improve as the shortage of material eases, shipping conditions improve and government controls are relaxed, the president of the company states. Shipments were made in 1945 to Australia, New Zealand, South Africa, Caribbean and Latin-American countries. Sales in 1946 to date compare favorably with the same period of last year, the president told the annual meeting.

Canadian Celanese

Canadian Celanese Ltd. owns sole rights for Canada to the Dreyfus patents for manufacture of cellulose acetate, artificial silk, fabrics, etc., and the Canadian right to all products, which may be developed by the research organizations of all the celanese companies.

The company's principal business is the manufacture of synthetic yarns and fabrics, having cellulose acetate as their base, which are marketed under the registered trademark "Celanese." Celanese fabrics simulate voiles, satins, moires, chiffons, wool, etc. The company also manufactures hosiery, underwear, etc., under an agreement with Trubenizing Process Corp. the company holds Canadian rights to the Trubenizing Process, covering manufacture of fused collars. The company also supplies a limited amount of cellulose acetate staple and filament yarns for sale to Canadian mills which had formerly imported all of this commodity. To supply Canadian mills fully, however, the company is planning an expansion program.

Production is already started on cellulose acetate staple, and expansion over and above the present program is being considered, the shareholders were told at the annual meeting. The present program was begun nearly two years ago and since that time $2,245,323 has been expended. Commitments outstanding and still to be made, total approximately another $2.5 millions. The program applies to the chemical plant, producing cellulose acetate, where work is nearly completed; to the increased production of filament yarn and dull yarn, and to a new product for the company in cellulose acetate staple, where production will begin in a few weeks, it was stated last April. Provision for expanding weaving, warp-knitting and dyeing equipment has been made and this year progress in that connection is hoped for, as modern equipment becomes more readily obtainable.

The company owns approximately 260 acres at Drummondville, Que., where its plant is located. Factory buildings have a floor space of approximately 734,765 sq. ft. At the end of 1929 there were approximately 400 looms in operation and since then, additional looms have been installed. The plant has an ultimate capacity of 1,500 looms and electric power is generated at plants on the St. Francis River under favorable agreements, it is stated.

Production was limited to about

(Continued on page 20)

CANADA SPOOL & BOBBIN CO. LIMITED
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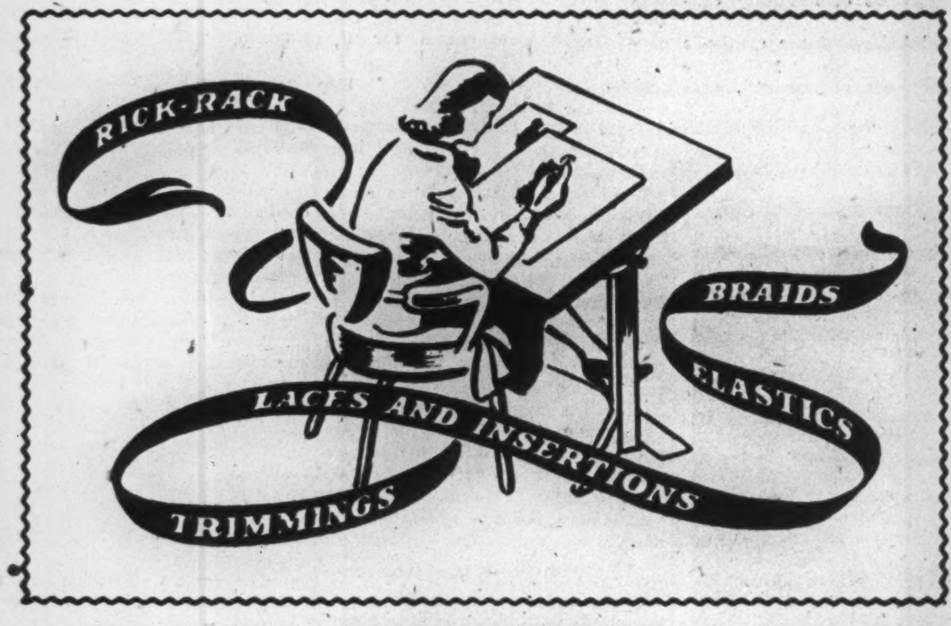

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All Woollen Mills Operating at Capacity But Fabric Supply Still Short of Demand

Canadian woollen mills are currently operating at, or near, capacity. Yet supply of woollen, and particularly, worsted, fabrics continues far short of the abnormal demand. Production could only be stepped up, in most cases, by additional spinners and extra shifts in

Output for the civilian market for the first five months of 1946 is up 43.6% and is currently around 53% higher than the best pre-war year. the mills.

Generally speaking, labor conditions have improved somewhat over last year. The mills are favorably located as far as labor is concerned, most of them being in small communities.

Bulk of war contracts in the woollen and worsted industry were not cancelled or completed until the end of 1945. Conversion to peacetime demands meant little or no disruption for most mills.

One of the most significant developments in the industry during the war was the expansion in Canada's wool-combing capacity. This is sufficient now to enable the industry to cut pre-war "tops" imports 50%.

Raw material continued in fairly good supply, except certain types of fine merino fleece. Last year's prolonged drought in Australia cut down considerably the amount of fleeces available from that country. Climatic conditions are much better this year and supply of necessary imported wools will be more plentiful.

Canada's 1945 wool clip was of average proportion but down 4% from the previous year. The number of sheep shorn was 1,917,000, with a production of 14,513,000 lb. The clip has been well cleared and there has been no burdensome inventory to carry forward into the current year.

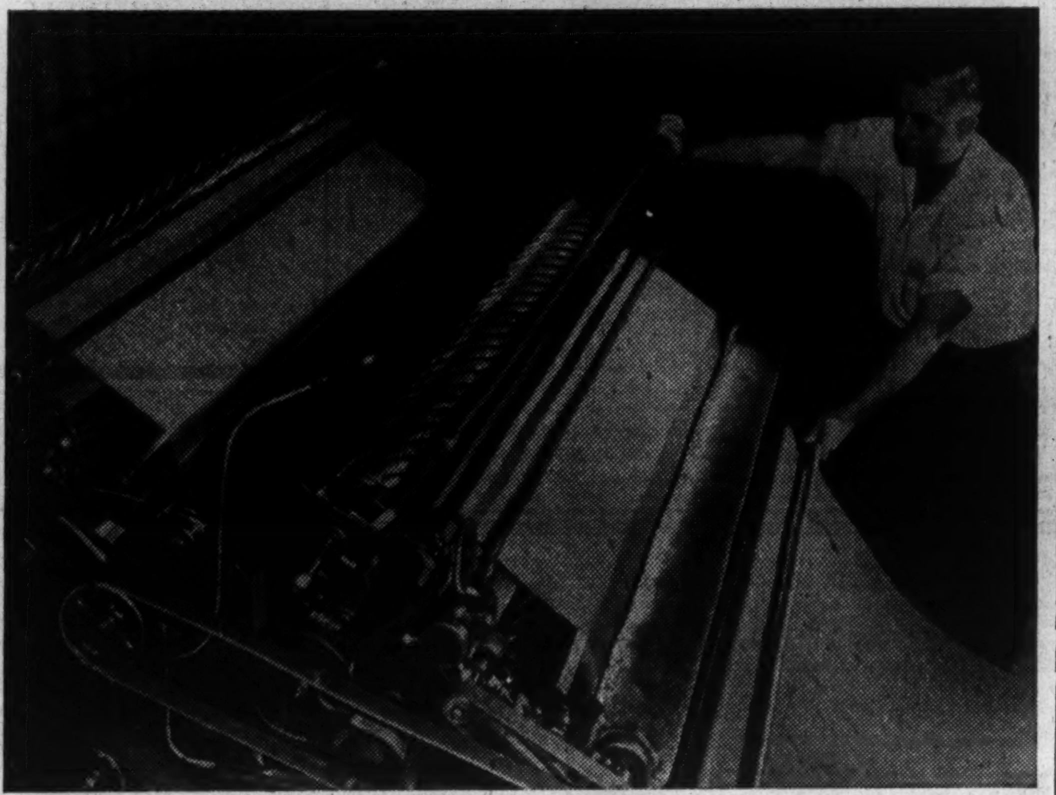
Can. Co-op Wool

Canadian Co-operative Wool Growers Ltd. is a marketing organization for Canadian wool growers.

During the year six government registered grading warehouses were operated, three of which were open during the summer season only. The number of sheep shorn in 1945 was 1,917,000 with a production of 14,513,000 pounds as compared with 2,006,000 in 1944 with a production of 15,128,000 pounds. The wool clip was of average quality, the yield per sheep being 7.6 pounds, (7.5 pounds the previous year). Alberta yield was again the biggest at 8.8 pounds and Nova Scotia the lowest at 5.6 pounds, per fleece.

The Canadian clip has been well cleared; there is no burden from inventory to be carried forward into the 1946 season, the annual statement says. On the other hand, the world supply of wool is large and it cannot be said that there is any shortage of the raw material. The present bottleneck is to convert this raw material into finished woollens.

With the opening of the woollen mill at Moose Jaw by the Saskatchewan Government, it was found desirable to establish a seasonal wool grading warehouse there to grade Saskatchewan wools. Wools of the kind to meet the requirements of the mill were assembled at Moose Jaw and 250,000 pounds was graded. During the year there was completed at Lethbridge a combination office and warehouse, at a building cost of $15,709.00.



This shearing machine cuts the rough, protruding fibres off the finished cloth. The machine is said as delicately accurate as an electric razor. Blades work on the same principle as a lawnmower.

Take-over of Canadian wool clipped by the government through Canadian Wool Board Ltd. terminates with the 1946 clip. Accordingly Dec. 31, 1946 has been named as the terminating date as applying to fleece wool. Earnest consideration however, should be given to a wool program in Canada which would provide some stability to the future of the sheep industry, the annual statement reads. In the knowledge that the total wool production in Canada is much less than half of the wool used in Canada, it would seem apparent that wool grown here should have, and is entitled to, a price basis which would provide a moderate profit over the cost of production, the statement adds:

Dom. Wool

Dominion Woollens and Worsteds is engaged in the production of woollen and worsted cloth and yarns. Plants are at Hespeler, Peterborough and Orillia, Ont. Retained net profit for 1945 was approximately the same as for the previous year.

Inventory showed a substantial increase at year-end due to necessity of providing raw materials for all production (during recent war years, raw materials used for production were carried by a government company).

Department of Reconstruction and Supply is reviewing results of operation for 1940-44 leading to a possible renegotiation of war business on an over-all basis. Capital expenditures during the year were $71,318. Larger amounts will have to be spent in the coming years for capital replacement. Postwar machinery prices give indication of being substantially higher.

Production of cloth for the armed forces ceased before the end of 1945 and the company is now entirely on civilian production. This change was effected without undue dislocation and although production is still considerably below capacity due to shortage of workers, it is slowly improving, the annual statement said.

For the first five months of the current fiscal year dollar value of sales was up 11% from a year before. Current cloth production is equal to 1939 production and with an increase in operating staff, the company should show a considerable increase over pre-war output.

The making and combing of "tops" has been added to pre-war operations. This completely integrates operations necessitating carrying of larger inventories of raw materials; but with the lifting of excess profit taxes, earnings should increase substantially, the president told the annual meeting.

During the war, the company furnished approximately 25% of all the cloth required for battle dress purchased by the Canadian Government, and is the largest unit supplying essential civilian requirements.

At the annual meeting, directors declared a dividend of 20 cents a share on the common stock, payable Aug. 1, 1946. This places the annual dividend on a 80 cent basis—up from the previous 50 cent rate.

Paton Mfg.

Paton Manufacturing Co., incorporated in 1923, carries on one of the oldest woollen businesses in Canada, having succeeded to the business originally incorporated in 1868 as the Paton Manufacturing Co. of Sherbrooke. The company produces woollen and worsted fabrics for men's suitings, topcoatings and overcoatings, and is fully equipped to carry on all operations for the processing of raw materials into finished fabrics. Selling offices are maintained in Montreal and Toronto, and the company has an agency in Winnipeg.

Capitalization consists of $750,000 issued 3½% first mortgage bonds; 30,000 shares of 7% cumulative preferred stock and 50,000 shares common, no par value.

Operating profit and other revenue for the year ended April 30, 1946, totalled $369,744 ($360,464 in 1945). Balance for bond interest, income and EPT, etc., amounted to $284,846 in 1946 ($282,188 in 1945).

Stanfield's Ltd.

Stanfield's Ltd. manufactures high grade woollen underwear and rayon underwear, sold under the trade name "Novasilk". Company's plant is situated in Truro, N.S., with offices at Montreal, Winnipeg and Vancouver. Although operations are understood running at a satisfactory level, the company could add another shift to operations, given the required help.

Wool Combing

Wool Combing Corp. of Canada operates on a commission basis a wool scouring and combing plant at Acton, Ont., processing raw wool into worsted tops. These tops are used by worsted spinners in producing the worsted yarn which goes into woven worsted cloth, knitted sweaters, socks, underwear and other woollen garments. Annual productive capacity of the Acton plant is said equal to about one half of the pre-war annual import of tops.

Net operating profit increased to $277,189 for 1945 ($217,931 in 1944). Retained net profit was $67,907 ($69,042), after excluding $22,997 in 1945 and $6,828 in 1944 refundable portion of excess profits tax. Earnings a common share amounted to $1.36 excluding and $1.82 including refundable EPT ($1.38 and $1.52 respectively in 1944).

Authorized capital consists of 50,000 common shares, par $5, all issued and outstanding.

Prospects for 1946 are satisfactory as there are sufficient orders on hand to engage the company's facilities fully, the president, Lord Barnaby, stated in the annual report.

Converters Are Good For Big Postwar Trade

Cdn. Converters

Canadian Converters' Co. manufactures shirts, pyjamas, juvenile apparel, work clothing, dresses, blouses, gowns and lingerie. The textiles are not woven by the company, but are purchased and converted into apparel. Company's products are sold throughout Canada and are exported to the West Indies and Newfoundland. Sales offices are maintained at Saint John, N.B., Montreal, Toronto and Vancouver.

Capitalization of the company consists of $1 million authorized first mortgage serial bonds, of which $550,000 are outstanding; 125,000 shares authorized class A stock, par value $20, of which 69,340 shares are issued, and 100,000 authorized shares class B stock, no par value, of which 34,670 are issued.

It is understood the annual report for the year ended April 30, 1946, when published, will show higher net earnings, a higher level of earned surplus but a smaller working capital position because of moneys expended on acquiring subsidiary companies and in retiring $50,000 of serial bonds. Company officials voice confidence that sales and earnings in the current year will be satisfactorily maintained.

Tooke Bros.

Tooke Bros. Ltd. are engaged in manufacture of shirts, collars, neckwear, pyjamas, underwear, etc. Also the company, through its subsidiaries, manufactures handkerchiefs, paper boxes. Net 1945 earnings were $172,607 ($208,283 in 1944). Net profits for 1945 after all charges, including $29,176 for depreciation and $106,581 for income taxes (of which $15,795 refundable portion was transferred to special accounts) was $36,890 ($43,149 in 1944). Earnings per share based on net profit excluding the refundable portion, amounted to $1.26 in 1945 ($1.47 in 1944). Including refundable portion, earnings were $1.80 ($2.21 in 1944).

The company hopes for an improvement in 1946 although it states that labor conditions still remain difficult, and raw materials scarce. Cotton for shirting has been particularly difficult to obtain, it is stated. The situation, however, may improve toward the end of the year when less cotton goods are being diverted to sports shirt manufacturers. Improvements in the plant were made in 1945, and $22,679 was added to the fixed asset account, before depreciation.

The company's manufacturing plant is located in Montreal and is a four-story mill construction factory having approximately 160,000 square feet floor space. In addition the company has branches at Toronto, Winnipeg and Vancouver and permanent sample rooms in Halifax, Saint John, N.B., Quebec, Ottawa, London, Calgary, Saskatoon and Victoria.

Woods Mfg.

Woods Manufacturing Co. operated at capacity during 1945, except for the Empire Cotton Division at Welland, which was again affected by a labor shortage. The company manufactures and sells jute and cotton cloth bags, burlaps, tents, flags, tarpaulins, sleeping bags, etc. Plants are at Montreal Toronto and Winnipeg; Welland, Ont.; Hull, Que., and Ogdensburg, N.Y.

Earnings per common share were $3.06 in 1945 ($2.44 in 1944). Including refundable portion of excess profits tax, earnings were $4.42 and $3.55 respectively.

NADIAN
CO-OPERATIVE
OOL GROWERS
LIMITED
FLEECE
WOOL
CANADIAN GRADED
Fleece Wool

28 Years of Service

For twenty-eight years now the Canadian Co-operative Wool Growers Limited has devoted its efforts to improving the quality of Canadian wool, marketing it in the most orderly and profitable manner and co-operating in the promotion of the use of Canadian Fleece.

Specialists in the Collection, Handling and Grading of Canadian Wool

CANADIAN CO-OPERATIVE WOOL GROWERS LIMITED
Established 1918
Toronto • Weston • Lennoxville • Regina
Carleton Place, Ont.

BABCOCK CENTRIFUGAL PUMPS

Above: BABCOCK six-stage centrifugal boiler-feed pump—dual drive with motor and turbine.

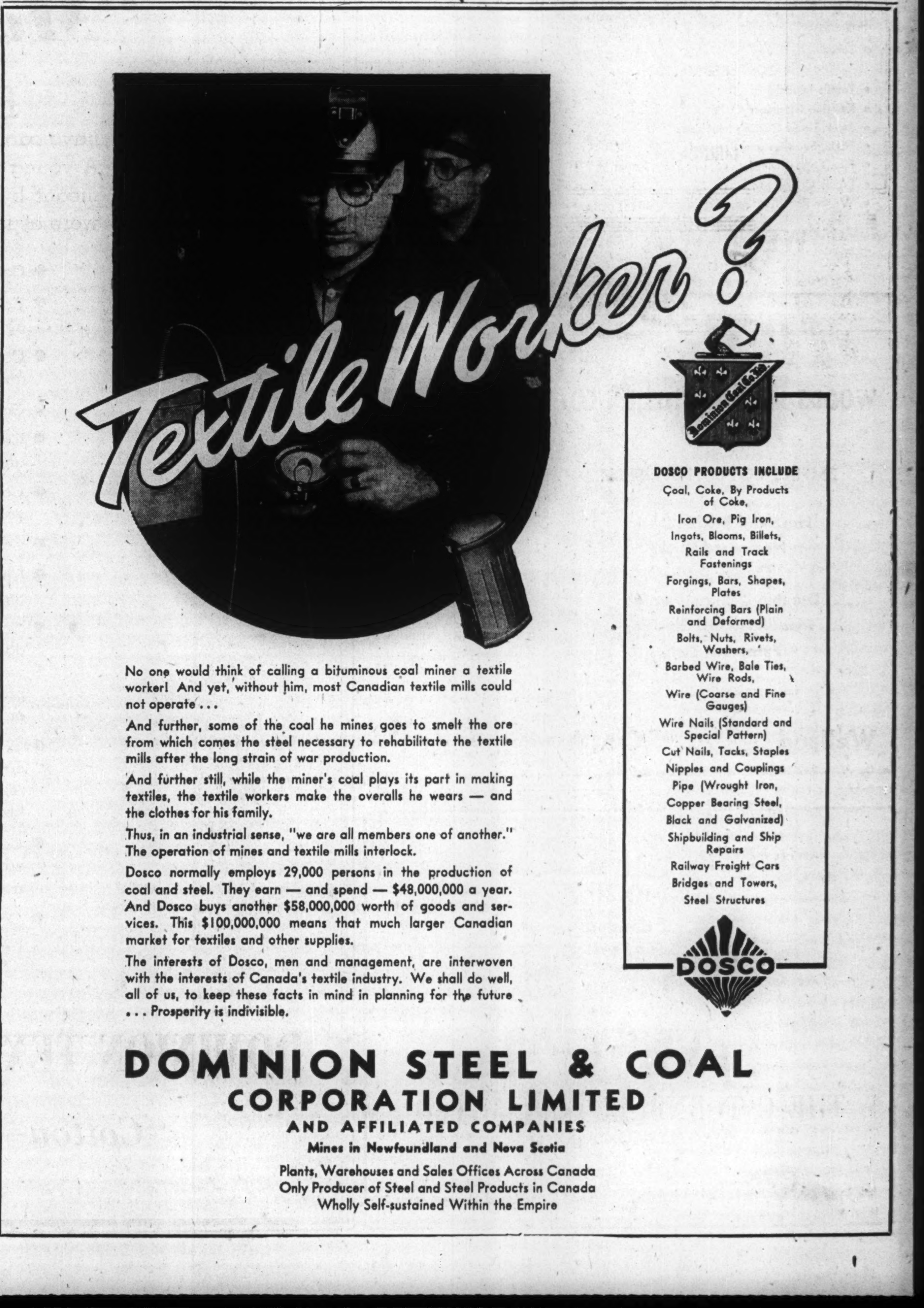
Below: Two-stage precipitation pumps specially designed for handling cyanide solutions.

PUMPS FOR EVERY SERVICE

For lowest cost liquid flow, install pumps with a proven record of better performance. Babcock centrifugal pumps, from coast to coast, successfully meet the most varied municipal and industrial requirements. They have a confirmed reputation for highly satisfactory operation which reflects the sound engineering, skilled and painstaking workmanship, and modern facilities of a completely Canadian company with over 85 years' experience in power-plant engineering.

Consult our hydraulic engineers about your pumping problems.

BABCOCK-WILCOX & GOLDIE-McCULLOCH
LIMITED
GALT ONTARIO
BRANCHES:
MONTREAL · WINNIPEG
TORONTO · VANCOUVER


Textile Worker?
Dominion Coal Co. Ltd.
DOSCO
No one would think of calling a bituminous coal miner a textile worker! And yet, without him, most Canadian textile mills could not operate . . .

And further, some of the coal he mines goes to smelt the ore from which comes the steel necessary to rehabilitate the textile mills after the long strain of war production.

And further still, while the miner's coal plays its part in making textiles, the textile workers make the overalls he wears — and the clothes for his family.

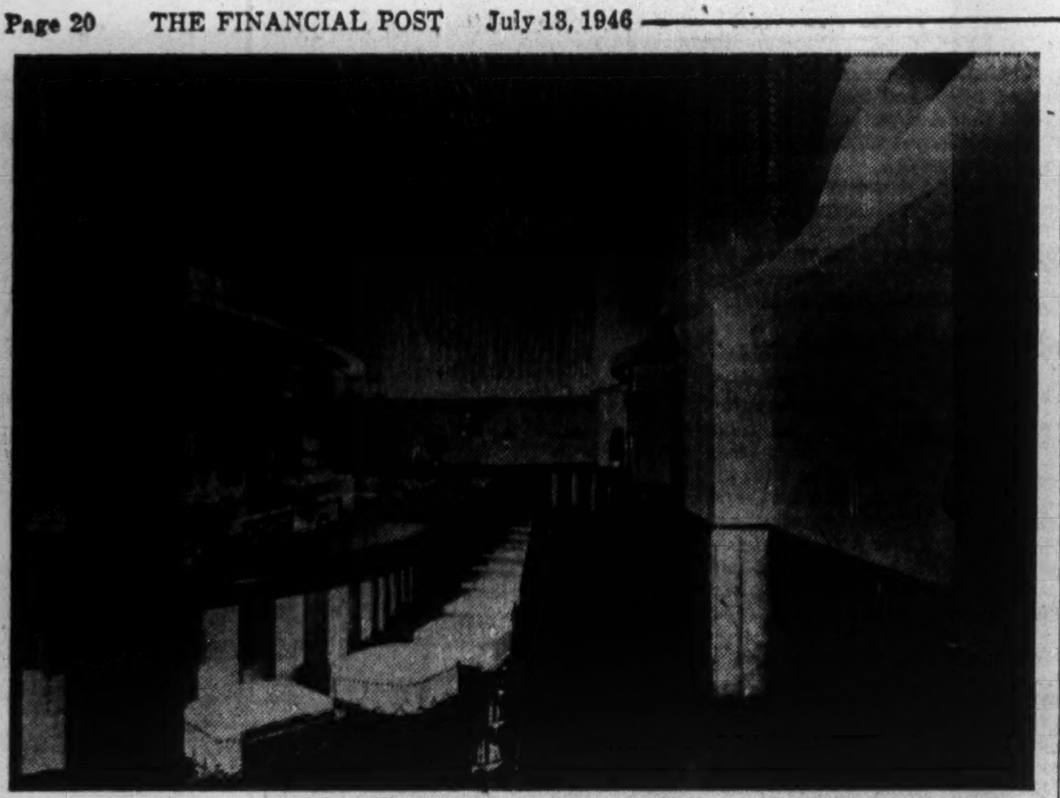
Thus, in an industrial sense, "we are all members one of another." The operation of mines and textile mills interlock.

Dosco normally employs 29,000 persons in the production of coal and steel. They earn — and spend — $48,000,000 a year. And Dosco buys another $58,000,000 worth of goods and services. This $100,000,000 means that much larger Canadian market for textiles and other supplies.

The interests of Dosco, men and management, are interwoven with the interests of Canada's textile industry. We shall do well, all of us, to keep these facts in mind in planning for the future . . . Prosperity is indivisible.

DOSCO PRODUCTS INCLUDE
Coal, Coke, By Products of Coke,
Iron Ore, Pig Iron,
Ingots, Blooms, Billets,
Rails and Track Fastenings
Forgings, Bars, Shapes, Plates
Reinforcing Bars (Plain and Deformed)
Bolts, Nuts, Rivets, Washers,
Barbed Wire, Bale Ties, Wire Rods,
Wire (Coarse and Fine Gauges)
Wire Nails (Standard and Special Pattern)
Cut Nails, Tacks, Staples
Nipples and Couplings
Pipe (Wrought Iron,
Copper Bearing Steel,
Black and Galvanized)
Shipbuilding and Ship Repairs
Railway Freight Cars
Bridges and Towers,
Steel Structures

DOMINION STEEL & COAL
CORPORATION LIMITED
AND AFFILIATED COMPANIES
Mines in Newfoundland and Nova Scotia
Plants, Warehouses and Sales Offices Across Canada
Only Producer of Steel and Steel Products in Canada
Wholly Self-sustained Within the Empire



Fiberglas drapes, fireproof and colorful, are an answer to the interior decorator's prayer and the fire inspector's worry. Here's how it looks in the cocktail lounge of a popular Los Angeles dining spot. Walls and ceiling draperies are of rich green with palm leaf motif.

Rayon Fabrics At a Premium

(Continued from page 18)

85% capacity throughout most of 1945 due to labor shortage, shareholders were told at the annual meeting. Sales covered the total production at the plant while profits, circumscribed by fixed selling prices and excess profits taxes, remained practically unchanged. Net 1945 profiti was $1,389,932 ($1,393,971 in 1944).

Cons. Textile Mill

Consolidated Textile Mills was incorporated in April, 1946, and has acquired all the outstanding shares of the capital stock of Consolidated Textiles and Duplex Textiles. Both companies operate mills at St. Hyacinthe, Quebec, and produce rayon, nylon, silk and mixed fabrics used in making lingerie, dresses, blouses, house coats and children's wear. The combined production of these mills makes the company the largest producer of lingerie fabric in Canada and its products are marketed under its own trademark throughout the Dominion of Canada.

Up to 1944, when the shortage of fabrics for domestic requirements curtailed export permits, these companies enjoyed an export trade to Australia, New Zealand, British West Indies and Eire. It is understood that the company will re-enter the export market as soon as permits become available.

The company's consolidated balance sheet as at April 30, 1946, shows 20,000 shares outstanding of .5% cumulative, sinking fund redeemable preferred shares par value $20 and 50,000 common shares, no par value. The company's working capital position totals $362,690. The earnings of the company and its subsidiaries on a consolidated basis available for dividends, with income and excess profits taxes calculated at the rate prevailing for 1946, would have amounted to $61,355 in 1945 ($51,313 in 1944); actually totalled $35,072 for the four months ended April 30, 1946. According to the company president, the mill and enlarged loom capacity should enable the company to derive the fullest benefit from the increased volume of business confidently expected.

Riverside Silk

Riverside Silk Mills, Ltd. produces and supplies silk rayon and nylon yarns used in the manufacture of ladies' underwear and hosiery. It began manufacture of broad silk in 1924 but does not manufacture garments or hosiery. Its plant is at Galt, Ont.

Earnings have been maintained at a fairly consistent level during the war years while working capital has increased 48.8% to $596,405 at Dec. 31, 19455. Net 1945 profit was $72,091 exclusive of $11,032 refundable EPT ($63,963 and $9,721 respectively for 1944).

Capital outstanding at Dec. 31, 1945, consisted of 30,000 shares $2 cumulative participating no par value class "A" stock and 20,000 shares no par value participating class "B" stock.

Silknit Ltd.

Silknit Ltd. manufactures directly and through subsidiaries "Dunning" lingerie, "Catalina" swim suits, dresses and other rayon products, supplying Canada, Australia and the British Isles. The company's plant is situated in Toronto. A wholly-owned subsidiary operates lingerie plants at Montreal and Granby, Quebec. Through another subsidiary, the company operates a complete knitting and dying plant in Sydney, Australia. Another subsidiary is operated in England.

Net revenue for 1945 increased to $794,584 from $657,451, but net profit was only marginally higher at $108,149, due largely to increase in income taxes and in provision of sinking fund for redemption or retirement of income funding rights. Net profit of English and Australian subsidiaries showed a substantial improvement over the previous year. The decrease in earnings of the Canadian companies after taxes resulted in the downward adjustment of the company's standard profit base.

Business was very active during 1945, with demand for the company's products far in excess of capacity, President N. H. Epstein told the annual meeting. Management encountered considerable problems relating to the supplies of material and labor.

Sales volume for the first five months of 1946 was slightly higher than for the corresponding period of last year, the president stated. It is expected that earnings will permit payment of the full amount of bond interest and preference share dividends for the immediate future, even under the present high taxation rate.

Wartime research developed a resin for use in processing wool which stabilizes each strand and makes possible weaving of extra-light fabrics. All-wool summer suitings of this material will be cool as a cucumber, manufacturers claim.

New Wool Finer Than Georgette

A wool fabric with all the advantages of pure wool but as fine to the touch as georgette, is the latest material produced by United Kingdom scientific research.

To give an idea of how light this new wool is, here is a comparison. The average woollen jumper weighs about 6 ozs. to the square yard; a jumper of this weave would weigh about 1½ to 2 ozs. to the square yard.

Experiments in this fabric were started at Leeds University. These led to the discovery that, from ordinary seaweed, a fibre called alignate could be made. Because it dissolves in soapy water and alkalis this could not be used for actual cloth making, but used as a "scaffolding" when weaving it was found to provide a tough base for the most delicate wool yarn—too delicate to be handled by machine in the ordinary way. The "scaffolding," the scientists discovered, could be washed away, leaving the pure wool.

As smooth as crepe-de-chine, this fabric is ideal for women's clothes; it can be spun in bright prints for dresses, with richer, deeper colors for evening gowns.

TAYSIDE TEXTILES
LIMITED
PERTH, ONTARIO

Manufacturers of

WOOLLEN CLOTHS

WHAT
THIRTY YEARS' SERVICE
TO THE TEXTILE INDUSTRY
MEANS

. . . a long, intimate relationship with the mills, an exacr knowledge of their needs, much practical experience . . . machinery, yarns and equipment from many sources, providing the best quality, performance and price for specific Canadian needs . . . a sustained broad interest in the progress of our clients' businesses . . . Upon these our thirty years of service have been built. Our future prosperity is at one with prosperity of the textile industry of Canada.

A COMPLETE SERVICE

- Textile Machinery
- Knitting Machinery
- Sewing and Cutting Machines
- Parts, Supplies and Services
- Fine Yarns—Mercerized, Dry Spun, Rayon
- Paper Cones and Tubes
- Water Rectification, Humidification

W. S. WESTAWAY CO.
LIMITED
HAMILTON
TORONTO - MONTREAL - WINNIPEG

THE
WOODS MANUFACTURING CO.
LIMITED

EMPIRE COTTON DIVISION

Hose and Belting Ducks
Numbered Ducks
Ounce Ducks
Durable Denims, Pantings
Manufacturers' Sheeting
Yarns and Twine

■

Welland Canada

The best is always the most satisfactory

TURNBULL'S
CEETEE
PURE WOOL

UNDERWEAR

THE C. TURNBULL CO. LIMITED
GALT — ONTARIO

Established 1859

The only Manufacturers in Canada making Full Fashioned Underwear

Why--

"Master Fabric?"

RECENT Dominion Textile advertisements have carried the slogan, "Cotton, the Master Fabric". A young lady asked us the other day just what we meant by that. Some of the reasons we gave her were as follows:

- Cotton is nature's whitest fiber.
- Cotton possesses excellent affinity for dyes, and the ability to hold them.
- Cotton posesses a low rate of electrical conductivity and is consequently of value for insulating purposes.
- Cotton possesses very high tenacity.
- Cotton withstands high, repeated shocks better than any other fiber.
- Cotton does not deteriorate in storage, nor does it yellow in service.
- Cotton can be rendered waterproof and fireproof.
- Cotton is an easy fiber to launder, because of its resistance to alkali.
- Cotton is versatile; it may be spun into soft and downy products, or into products tough enough to wear down metal surfaces; it may be used to produce a material which retains heat excellently, or a cool material for summer wear.
- Cotton is ideal for apparel purposes because of the ease with which it may be shaped, because of its resistance to surface abrasion, and lack of susceptibility to stains.
- Cotton can be treated chemically and changed into various other forms having a wide range of usefulness.
- Cotton is the most plentiful and most economical textile for clothing and industrial purposes.

DOMINION TEXTILE COMPANY LIMITED

"Cotton—the Master Fabric"

Engravers and Printers
of Bank Notes, Bonds and Stock Certificates

BRITISH AMERICAN
BANK NOTE COMPANY
LIMITED
The Old Canadian Company

HOWARD W. PILLOW
President

CHARLES G. COWAN
Vice-Pres. & Man.-Dir.

G. HAROLD BURLAND
Sec.-Treas.

HEAD OFFICE · OTTAWA
262 Wellington Street

511 Place d'Armes
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Buy War Savings Certificates and War Savings Stamps

BA SILKS

Original Designs
in Prints

Specializing in British Bemberg Triple Sheers, Chiffons, Lingerie Satins and Crepes.

Spun Qualities for Dress Trades

BRITISH AMERICAN SILK MILLS
LIMITED
Mayor Bldg. Montreal

WILLIAM COLLIE
Woollen
Manufacturer
APPLETON, ONTARIO

Sales Agent
MR. CHARLES GRAHAM
1449 ST. ALEXANDER ST.
MONTREAL, QUEBEC

MELTONS
LADIES'
COATINGS
CHEVIOTS

Mixed Textile Group Has Weathered Peace Production Conversion Problem

An important section of Canada's textile industry, the mixed textile group comprising hat, cap and glove factories, tailoring plants, carpet weaving, cordage, rope, twine and linen mills, has generally reconverted to peacetime production without any sizeable disruption in production schedules.

Continuing shortages in certain classes of labor have, in the main, been the chief production bottlenecks. Several of the companies are currently involved in strikes and output is suffering accordingly.

Most firms, however, report 1946 production and sales moderately higher than a year ago. The year's final results will depend primarily on solution to present labor problems.

Current demand is at an all-time high. Carpet, hat, tailoring and cordage firms have sufficient unfilled orders on hand to ensure maximum production well on into 1947, manufacturers say. The raw material picture in the carpet industry is improved, a subtantial increase in carpet wool now being made available to the industry. Equipment designed to speed up production and cut down on operating costs is finally being delivered.

Tailoring firms are working to labor and raw material capacity. A shortage in worsted fabrics continues to affect production, despite some supply improvement over last year. Backlog of demand from the civilian market is tremendous.

Most hat plants are operating at capacity. One of the largest is operating three shifts. The raw material picture is considerably improved in this industry. Imported rabbit fur, chief component of men's hats, is entering the country in increasing quantities, although at greatly increased prices.

Acme Glove

Prospects for Acme Glove Works Ltd. for the balance of the year 1946 are encouraging, President A. Lepine reports. "We could sell a lot more than we are able to make," he told The Financial Post. He conceded that the labor situation had not improved from last year. Some materials had improved in supply; others, e.g., textiles, were scarcer. Prices which have to be paid for imported South African cape skins are up substantially. But everything which the company produces has a ready market.

Acme Glove Works manufactures fine leather gloves, work gloves, moccasins, sheet-boots, shoe packs, wool socks, sheep-lined and mackinaw clothing, sport and work garments, operating four factories in the Province of Quebec.

Retainable net profit in 1945 was $69,586 ($67,401 the previous year). Retainable net equalled $10.12 a share on the $6.50 preferred against $9.80, and the balance for the common was $1.04 against $0.95 a share in 1944. In his annual report Mr. Lepine stated that earnings were limited by cost increases, which were not offset by price increases. Book orders compared favorably with a year ago.

Biltmore Hats

Biltmore Hats Ltd., Guelph, manufactures men's fur felt and wool hats. The company also makes hat bodies in the rough. Before the war, the company had a sizeable export business selling in at least 10 foreign countries.

Earnings were maintained on a fairly constant level during the war in spite of sharply increased tax provisions. Retained net profits for the year ended Nov. 30, 1946 were $79,022 ($80,434, the previous year). This represented earning of 99c. a share on the common stock excluding refundable portion of excess profits tax or $1.09 including EPT ($1.01 and $1.07 for 1944). Total refundable portion of income and excess profits tax was $28,615 as of Nov. 30, 1945 or equal to 36c. per common share.

Working capital had increased to $523,436 at the fiscal year end. ($501,673 at the end of the previous year). Dividends of 60c. per share per annum have been paid regularly since payment of 15c. per share on April 15, 1940.

Shareholders early in May approved reclassifing the outstanding 80,000 shares into 40,000 Class A $1 cumulative participating preferred shares, and 40,000 common shares. It is proposed to declare quarterly dividends at the 40c. annual rate on the new common stock.

Purpose of the reclassification is to facilitate liquidation of the estate of the late president F. R. Ramsey, who was the largest shareholder. The public offering of the Class A shares at $21.50 a share to yield about 4.65% was rapidly oversubscribed. The change in capital structure has in no way affected the controlling interest, President J. A. Fraser wrote to shareholders. The company's plants are currently reported operating at near capacity.

Brantford Cordage

The Brantford Cordage Co., with head office and plant at Brantford, Ont., manufactures binder twine supplying about one quarter of the Canadian consumption. The company is said to be the largest manufacturer of this cordage in the British Empire. Net profit has been declining steadily since the high of 1940. In that year net profits amounted to $227,343. For the year ended August 31, 1945 net profit was $112,346. An increase in subsidized fibre costs without any corresponding increase in the ceiling price of the finished binder twine was largely responsible for the further reduction in profits, the annual statement, reported. Lower provision for goverament taxes of $70,000 from $80,000 and depreciation of $11,639 from $20,459 the year before was insufficient to offset the decreased earnings. Working capital as at fiscal year end amounted to $1,990,735, down approximately $7,000 from the previous year.

Regular dividends of $1.30 per share have been paid on the preference stock since October, 1936. Present rate of 50c. per share per annum on the new common shares has been paid regularly.

Caldwell Linen

Caldwell Linen Mills with head office and plant at Iroquois, Ont., manufactures fine linen table cloths, towels and fine cotton goods complementary to the linen business, operations covering the entire process from raw yarn to the finished product.

Sales volume in 1945 showed a slight decline due to scarcity of both labor and material early in the year, President H. Caldwell stated in the annual report. Labor supply has shown a considerable improvement in the current year.

Net 1945 profits were $80,710 ($80,664 in 1944). Provision for income tax was lower at $101,062 (including $9,403 refundable portion) against $133,273 (including $15,836 refundable portion).

A number of additions were made to the company's fixed assets during the year, in order to provide for increased production, net outlay for these amounting to $108,353. Additional capital expenditures of approximately the same amount will be required during the current year in order to complete this program, President H. H. Caldwell stated in the annual report.

Dividends are being paid regularly, quarterly, on both first and second cumulative preference shares at $1.50 and 80c. per annum respectively. On the common an initial dividend of 25c. was paid Feb. 1, 1943, a further 25c. Feb. 1, 1944 and regularly semiannually since.

General Products

Originally a manufacturer of silk hosiery, General Products Mfg. Corp. has greatly diversified its operations since 1943 and now has the following divisions:

Supersilk Hosiery Division, London, Ont., which manufactures a wide range of pure silk full-fashioned hosiery. Since 1941 substitute materials have been used in place of pure silk. In addition to a domestic business the company carries on an export trade to Australia, New Zealand, Ireland, Trinidad, India, South Africa and other foreign countries.

Budget Products Division, London, manufactures and sells household products.

Standard Tube Co., Woodstock, manufactures and fabricates tubing; produces automobile equipment and through a subsidiary, Metal Fabricators Ltd., produces a complete line of hospital equipment. The latter company purchased a new factory early in 1945 at Tillsonburg, Ont.

Langmuir Paints Division, Oakville.

Net profit was up 89% in 1945 ($150,966, against $88,986 for 1944). Earnings a common share were $1.30 ($0.68 in 1944).

Pure silk has not yet come back to the market but nylon yarn became available for the manufacture of hosiery late in 1945. Sales of nylon hosiery were not made to the public until February, 1946, and the demand will far exceed capacity of manufacturing facilities for some time, President W. S. Thompson stated in the annual report. Outlook for the Supersilk Division may be regarded as optimistic and, barring unforeseen difficulty, a gradual upswing may be expected, he stated.

Capital outstanding at Dec. 31, 1945, consisted of 4,056 shares of $100 par 5% preferred stock, 75,000 no par value class "A" common shares and 25,000 no par value class "B" common shares.

Guelph Carpet

Guelph Carpet and Worsted Spinning Mills manufactures worsted, weaving, machine and hand knitting yarns and Saxony, Wilton, Brussels, Broadloom, Jacquard, Axminster, tapestry, automobile and other carpets.

During 1943 and 1944, Harding Carpets Ltd. purchased the holdings of minority shareholders of Guelph Carpet and Worsted Spinning Mills at $20.50 per share. The company is now wholly owned.

Harding Carpets

Harding Carpets Ltd. manufactures carpets and rugs at Brantford, Ontario, and owns all the capital stock of The Guelph Carpet and Worsted Spinning Mills Ltd.

Production of rugs and carpets during the fiscal year ended Oct. 31, 1945, was curtailed due to shortages of material and personnel. Production is gradually increasing however, as labor is becoming available. Retained net profits for the year showed a 75% rise.

Of the $250,000 provided by the offering of treasury shares, $190,840.00 was spent on expanding the buildings and on new equipment. Consolidated working capital as at Oct. 31, 1945, had increased to $1,515,064 from $1,330,137. A bank loan of $232,152.00 in 1944 was paid off in 1945.

Increased production is required to meet the accumulated and continued demand for the company's products. Outlook for business for the worsted spinning mills of the Guelph subsidiary is promising and President John S. Dickson states that indications are that the current rate of production will be maintained for some time.

Dividend rate was increased to 30c. with payment of a semiannual dividend of 15c. per share on Jan. 2, 1946. Previously the annual rate had been 20c. per share.

Recently a self-appointed shareholders committee headed by Mr. Henry Goldman, asked the management to consider higher dividends. The committee drew attention to the company's small capitalization "in relation to its ability to produce products of quantity and quality" and to the fact that there is no funded debt or bank loans outstanding against the company. In replying John S. Dickson, president, stated that "larger returns to the shareholders could not be made without interfering with funds required for the business."

Lewis Ltd.

Lewis Ltd., with plants in Truro, N.S., is one of the larger textile manufacturing companies producing a wide variety of knitted goods in both cotton and woollen material. A market exists for all the company can produce, but difficulty in obtaining certain types of yarns restricts operations, it is understood.

Toronto Carpet

Toronto Carpet Manufacturing Co. is engaged in the production of

(Continued on page 26)

BATES & INNES LIMITED
CARLETON PLACE, ONTARIO

Manufacturers of

Ottawa Valley Blankets, Rugs,
Hand-Knitting Yarns
Knitted Outerwear and Underwear
Tweeds and Knitted Overcoatings

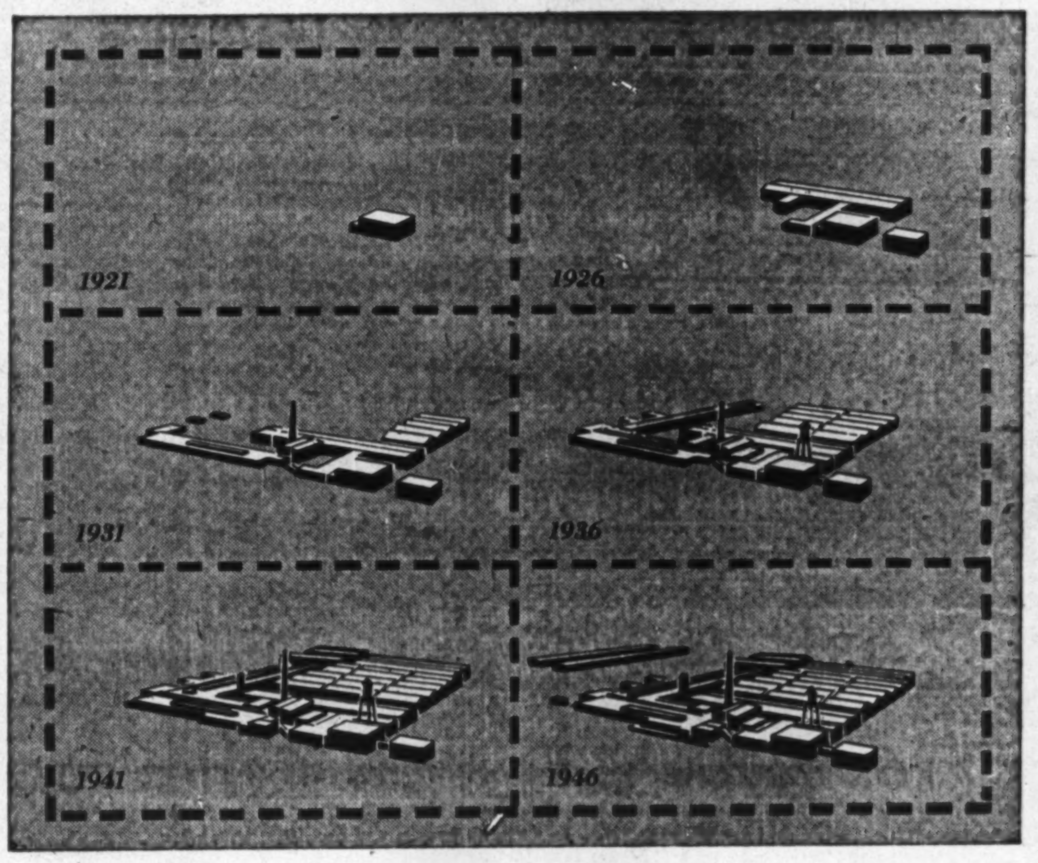
A Leader in its Field

FOR 76 years, we have been manufacturing high quality woollens with superior finish and up-to-date patterns. Our record throughout the years has gained us the reputation of dependability.

Manufacturers of
Men's Overcoatings Topcoatings Tweed Suitings
Ladies' Cloaking Tweeds Blanket Cloth

Established 1870 Geo. PATTINSON & Co. LIMITED
Preston, Ontario

OUR GROWTH HAS BEEN STEADY



BRUCK, in 1921, established Canada's first silk mill. From a small organization it has, during the past 25 years, grown steadily and consistently. This steady and consistent development has followed the increasing demands for Bruck Fabrics.

Indicative of the healthy growth of the Company (pictured above is the development of its Cowansville, Quebec, mill) are the following recent announcements.

Firstly — Bruck's new Sherbrooke plant will be completed early this Fall.

Secondly — The establishment in Australia of Bruck Mills (Australia) Limited, which will be closely associated with its Canadian namesake.

Bruck
FABRICS

BRUCK SILK MILLS LIMITED

LEADERSHIP

• The leadership which Penmans hold in the Canadian textile industry has been won by fulfilling the company's responsibilities to the public — by anticipating needs for Knitted Products which ensure comfort, style and durability — by constant adherence to the highest standard in materials, craftsmanship and styling.
Because of this policy, the Pen-Angle label on Knitted Goods is recognized as the mark of excellence, in Canada, today.

Penmans
PARIS • ONTARIO

KNITTED UNDERWEAR • OUTERWEAR • SPORTSWEAR • HOSIERY

Mills at:
PARIS, LONDON, BRANTFORD, WATERFORD, ONTARIO
COATICOOK AND ST. HYACINTHE, QUEBEC

ATW

Dominion Fabrics
LIMITED

Manufacturers of

TOWELS
FACE CLOTHS
BED SPREADS
TAPESTRIES

★

DUNNVILLE - ONTARIO - WELLAND

Permanently starched fabrics especially developed in the States for use in war materials are likely to become common postwar commodities. One of these was used in the damp, hot Pacific battle areas, an insect netting kept crisp by impregnation with a specially developed resin.

Cosmos Imperial Mills
LIMITED
Head Office: Hamilton, Ontario

Manufacturers of
Industrial Cotton Fabrics to specification, also Wide, Sail and Ounce Duck

Mills Located at
YARMOUTH, N. S. and HAMILTON, ONT.

Selling Agent
J. SPENCER TURNER COMPANY
LIMITED
Hamilton, Ont.

STANFIELD'S

A well-established —
MARITIME INDUSTRY

VANCOUVER
TRURO
HALIFAX

KNOWN THROUGHOUT CANADA
FOR **QUALITY**

- √ Men's Underwear
- √ Women's Underwear
- √ Novasilk Lingerie
- √ Boys' and Girls' Underwear
- √ Infants' and Children's Underwear
- √ Men's Woollen Socks
- √ Knitting Yarns

Stanfield's look back with pride to over 60 years of service and leadership in the underwear industry. Stanfield's look forward to the coming years with the confidence and will to serve retailers with the best.

STANFIELD'S
Unshrinkable
UNDERWEAR
SOFT WARM DURABLE

STANFIELD'S LIMITED — — TRURO, NOVA SCOTIA

No Labor Problem in Knitted Goods But Yarn Shortage Still Bottleneck

The shortage of yarns—particularly for underwear — continues to seriously affect Canada's manufactures of knitted goods and hosiery. The labor factor—a serious problem last year—is not now a problem. Most knitting mills are reported to have sufficient and even a surplus of labor as a result of the shortage in yarn supplies. This factor accompanied by a heavy demand for products has resulted in a continued shortage in civilian supplies of these goods.

Production of all types of knitted goods, except women's outerwear, expanded in 1945 over the previous year's level. For 1946 to date, hosiery and outerwear production is above last year's figure while underwear is running at about the same level, it is believed. Production in 1945 as compared with 1944 was as follows:

1945 PRODUCTION COMPARED TO 1944

	Outer-wear	Under-wear	Hosiery
Women's	83%	95½%	89½%
Men's	108%	103%	108%
Children's	156%	111%	96½%
Infants'	127%	127%	

The key to production for the balance of this year, however, is the yarn situation. Worst hit of the three classes is the underwear section.

Supply Outlook Poor

"The outlook for cotton yarn supplies in the knitting trade is the worst we have yet experienced, due mainly through our failure to secure from the U. S. spinners quantities which Washington allocates to Canada. This throws us back on the Canadian production which is inadequate," H. G. Smith, WPTB Knitted Goods Administrator, states in the 1946 Manual of the Textile Industry.

"We are dependent upon Britain for our supplies of fine combed cotton yarns but with general conditions there as upset as they are, deliveries are very slow and a heavy backlog of unshipped orders is building up and Canada is pinched for supplies of such yarns.

"Yarn inventory in the hands of underwear knitters is approximately only 40% of what it was at the beginning of 1945, and shipments arriving are entirely inadequate to maintain production on an economical basis," Mr. Smith writes. Since this was written, strikes in the Canadian factories have further curtailed cotton yarn supplies so that underwear production, and consequently the supply situation, looks serious for the balance of this year, it is stated.

Products are Coarser

As scarcity of the finer grades of woollen yarns means products are coarser but the quantity of goods produced is said running above last year. Regarding woollen yarn supplies, Mr. Smith said: "Canada has been unable to secure normal requirements of wool tops from either Australia or Britain but there has been some compensation in having been able to make purchases in the United States of limited amounts. However, the net result is that spinners are desperately short of the finer qualities so important to the knitting industry. Knitters are being asked to accept the greater proportion of their requirements in crossbred qualities and for those knitters engaged in the production of infants', children's and women's lines of outerwear, this creates a problem.

Commencing Mar. 1, the purchase of worsted yarns from Britain reverted to the pre-war basis as the Canadian Wool Board discontinued their bulk purchasing arrangements. Knitters are finding it most difficult to place orders for desirable yarns in Britain and here, too, they are finding that a large proportion of the offerings are in crossbreds rather than in botanies."

1946 Price Advances

Prices of all classes of goods, except full-fashioned hosiery and knitted articles made from rayon yarn, were allowed to advance on Apr. 1, 1946 as the result of increases in woollen and worsted and cotton yarn prices, made necessary by the reduction or elimination of subsidies. In general, price advances ranged from 5% to 12½%, the higher advance to some extent being offset by cancellation of a domestic subsidy. For outerwear, maximum price advances were limited to 5%, on hosiery excluding full-fashioned types, to 7½%, and on underwear, excluding fleece-lined types, to 10%.

As soon as possible, hosiery and knitted goods manufacturers may be expected to undertake considerable modernization and improvement expenditures. Many companies have already stated this in their annual reports. New equipment, however, is said very hard to obtain with long-dated deliveries experienced.

For the future low cost production is seen likely to become an increasingly important factor in all lines of textile production. This will be necessary to offset higher labor costs and possible tariff reductions, it is felt. In turn this will mean increasing stress on modern and efficient equipment and stress on research.

Butterfly Hosiery

Butterfly hosiery operates a plant employing some four hundred persons at Drummondville, Que., manufacturing ladies full-fashioned hosiery. At present it is understood that approximately 50% of the production is devoted to nylon hosiery and as nylon yarn becomes freer in supply the proportion of the latter material fabricated will be further raised. Pre-war production was based upon silk, but as supplies of silk became available 100% of stocking production was changed to rayon. The company does not anticipate going back to silk except for a small fraction of its output, partly because of a change in fashion but chiefly because of silk price changes.

Net earnings for 1945, after deducting operating and administration expenses, but before depreciation and income taxes totalled $137,851 as against $157,158 in 1944. Net profits after all deductions totalled $57,934 in 1945 ($60,132 in 1944). Net profits including refundable portion of excess profits tax in 1945 totalled $59,332 or $0.53 per share ($64,499 in 1944 or $0.58 per share) these earnings were based on the present capitalization of the company which consists of 296 outstanding 7% cumulative $100 par value; and 107,780 shares of common stock $1 par value. The full dividend rate of $7 per share is being paid on the preference stock at the rate of $3.50 semi-annually. The common stock has been placed on a $1 annual dividend rate also payable semiannually Net working capital as at Sept. 29, 1945, amounted to $564,055 against total assets of $909,586.

Celtic Knitting

Celtic Knitting Co. manufactures women's, children's and men's silk, and wool, and cashmere hosiery. The company's plant in Montreal is equipped to produce 2,400 dozen pair of stockings weekly. In 1936 the plant was equipped to make stockings with "lastex" tops. During the war, however, the problem of obtaining supplies of raw materials became acute since all raw silk was frozen and shortage of rubber stopped use of latex for civilian consumption. While raw silk is not yet available in any quantities, some shipments are likely to enter Canada this year. Also the rubber situation has eased considerably, which will likely permit resumption of this phase of operations.

Net 1945 operating earnings were $46,106 ($49,031 in 1944). Net profit was $8,234 in 1945 ($7,769 in 1944) and exclude $6,387 in 1945 and $7,250 in 1944 refundable portion of excess profits taxes. It is hoped that with materials and labor in more plentiful supply, there will be some improvement in the operations of the company during 1946, President E. P. Gordon stated in the annual report. Capital outstanding at Dec. 31, 1945 consisted of 27,000 no par value common shares.

Circle Bar

Circle Bar Knitting Co. manufactures hosiery, dryspun botany wool yarns and worsted cloths in its mills at Kincardine, Owen Sound and Listowel, Ont. Products are sold throughout Canada chiefly by the company's own sales organization.

Prior to 1940, considerable export business was carried on in South Africa, New Zealand, the West Indies and several other countries.

Net earnings amounted to $156,285 for the year ending June 30, 1945 as compared with $168,102 for the previous year. Net profit was $41,004 as compared with $36,441, excluding $13,105 in 1945 and $16,576 in 1944 refundable portion of excess profits tax. Earnings per share were $1.59 excluding or $2.09 including refundable EPT for the year ending June 30, 1945, as compared with $1.42 and $2.07 respectively for previous fiscal year.

Authorized capital consists of 33,000 no par value common shares of which 25,840 shares were outstanding at June 30, 1945. Since then a total of 558 shares have been allotted to employees.

A dividend rate of 60c. a share a year was established with the payment of 15c. a share on Dec. 1, 1943. At that time an extra 5c. a share was paid and this has been paid regularly with each 15c. quarterly dividend since.

Mercury Mills

Mercury Mills, Ltd., manufactures a wide range of knitted goods, the major part of its output being wool, cashmere and silk hosiery and underwear. The company's processes embrace the conversion of raw materials into finished garments. Plants are at Hamilton and Listowel, Ont., the latter plant owned through a wholly owned subsidiary, P-K Mills, Ltd., which leases the plant to a wholly owned operating subsidiary, Maitland Spinning Mills Ltd.

The company has acquired the Canadian rights to a British shrinkproof process for woollens and equipment was being installed early in 1946 at the mill in Hamilton. Permanently moth-proofed yarns will be produced at the Listowel plant. New products include "cushion-sole" hose for men as well as men's hose reinforced at the heel and toe with nylon, it was announced at the annual meeting this year. Also announced are further developments of nylon fabrics for women's wear.

Since the end of the war new textile machinery has been received which will create additional capacity for production of hose for men and will quadruple Mercury's production of underwear cloth, as soon as yarn is available in quantity, the annual meeting was told.

Net earnings amounted to $523,188 for the year ending Dec. 31, 1945, as compared with $554,596 for the previous year. Retained net profit was $153,628 as compared with $137,318, excluding $28,000 in 1945 and $19,500 in 1944 refundable portion of excess profits tax.

Earnings a common share were equivalent to $1.62 excluding or $1.92 including refundable EPT in 1945 as compared with $1.45 and $1.66 respectively in 1944.

The company increased its common dividend rate to $1 a share, with the quarterly payment made May 1, 1946. Previously rate was 80c. a share a year.

Outstanding capitalization at Dec. 31, 1945, consisted of $350,000 3%-3½% serial bonds due Apr. 1, 1946-52, $400,000 4% bonds due Apr. 1, 1959 and 94,550 no par value common shares.

Monarch Knitting

Monarch Knitting Co., manufactures heavy and fancy outerwear, underwear, knitted goods and hosiery, also a complete range of staples and novelty yarns for hand knitting as well as piece goods and other woollen products. It owns and operates five factories, one each at Dunnville, St. Thomas, St. Catharines, Ont. and two at Toronto.

The two plants in Toronto were acquired in December, 1945 through acquisition of the fixed assets and inventory of Joseph Simpson Sons Ltd., Toronto. As a result, Monarch expected to double its sales, with underwear to be a Monarch line for the first time. The largest plant is at Dunnville and comprises dye houses, spinning plant, knitting plant and warehouses.

Sales offices and warehouses are maintained in Toronto, Montreal, Winnipeg, Calgary, Ottawa and Vancouver. Products are also sold through agents to retailers and wholesalers across Canada.

Operating profit amounted to $245,042 for the year ending Dec. 31, 1945 as compared with $259,112

(Continuef on page 26)

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- Napped Interlinings
- Napped Sheetings & Silence Cloths
- Dress Fabrics
- Rayon & Spun Rayon Dress Fabrics
- Rayon Linings
- Rayon Taffetas & Satins
- Shirtings, Chambrays and Suitings
- Tickings
- Yarns of all Descriptions

The cotton textile industry is one of the oldest basic industries of Canada; has for many years been an important employer of labor; and has played a leading part in the economic life of the country.

Canadian Cottons, Limited, one of the leading components of the industry, also is one of the oldest. For nearly sixty years the company has played a vital part in Canada's textile industry. It operates six mills — two in New Brunswick and four in Ontario.

Employing normally 3,500 workers; its annual payroll, its purchases of supplies and equipment, its contribution in freight and in taxes, are important factors in community and national stability.

CANADIAN COTTONS, LIMITED

Completely equipped Mills at Marysville, Milltown, New Brunswick;
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All the idea-work and post-war planning done at Mercury Mills through the six years of war-production are bearing fruit now!

Blue-prints for the future were wisely . . . carefully . . . drawn up and those plans have now been translated into actual farsighted reconversion throughout the Mill.

The two main factors — new machinery and new fabrics — are already at the Mill. These, plus the skill and experience of Mercury's trained craftsmen, assure you the highest standard of quality in Mercury's renowned lines . . . men's underwear and socks, women's lingerie and hosiery.

Mercury Mills, like the entire textile industry, met their war-time responsibilities in full. Now the Canadian Textile Industry looks ahead and Mercury Mills, an important member of that industry, looks with pride on present achievements . . . plans with confidence for future improvements.

2006

Cotton Supply is Problem in Canada Aggravated by Rising Prices in U.S.

Intricate patterns in silk and rayon are woven at lightning speed on looms like these. Canada has more loom capacity now than ever before, awaits only adequate supplies and more skilled labor to reach new production records.

Cotton textile supply and production has been something of a disappointment to manufacturers, wholesalers and retailers alike, since the end of the war. Probably the biggest reason for lowered production is periodic and spasmodic work stoppages due to strikes, both here and in United States, where Canada draws a large part of her textile supplies. Some of the lowered production is also said due to many of the mills taking on inexperienced workers.

Figures supplied by the Cotton Institute pretty much tell the unhappy production story. In 1942 total cotton yarn spun in cotton yarn and cloth mills was 210,929,000 lb., in 1943 the total was 183,495,000 lb. and in 1944 the figure had dropped to 166,4172,000 lb. It is estimated that last year's production was around 160 million pounds. Similarly, cotton fabric production dropped from 277,340,000 yards in 1943 to 263,902,000 in 1944, and 1945 totals are likely to be somewhat lower. Some improvement in 1946 may be shown, since it has been announced that some 169,000 bales have been opened up to the end of May against about 164,000 in the same period last year.

Want to Pick Own Markets

Imports also dropped last year. From total cotton fabric imports in 1944 of 225,360,000 yards, last year's total fell to 195,214,000 yards. It now appears that U. S. manufacturers feel that their "set-asides" for Canada are too large and would like to have a free hand in picking their markets. It is also stated that last year U. S. producers found ceiling prices there to be little incentive for all-out production and many mills did not add extra shifts, even though labor was available.

Although prices were later raised in United States, wages also went up and increased costs put the industry back in about the same position as before. Just what future U. S. imports will be available in some measure depends on the future of U. S. price policy. As long as the U. S. Civilian Production Administration keeps a controlling hand on U. S. textile exports, Canada is likely to get a fair proportion. It is understood, however, that manufacturers there are likely to exert considerable pressure to get out from under CPA regulations. If they are successful, and if removal of price controls results in profitable selling at home, shipments to Canada may be still further reduced.

Wide Expansion Unlikely

Canadian cotton imports have, of course, been subsidized to keep manufacturers' costs and selling price in line. United States also pays a four cents a pound export subsidy. Amount of subsidies paid by Commodity Prices Stabilization Corp. here is geared to 116-2/3% of standard profits which textile manufacturers have been allowed to retain. Profits in excess of this amount reduce subsidy payments proportionately.

But even with the current short supply situation, there is little talk of large-scale plant expansion in Canada. One obstacle is difficulty in obtaining textile machinery. But it is not likely that many companies would venture too far along the expansion trail in any case. There is little guarantee that any thing like the present demand will last indefinitely. Also, newer fabrics have cut into the straight cotton textile field. Cotton manufacturers, however, rather than meet the threat of the newcomers with a head-on assault are incorporating many of the new yarns with cotton to produce fabrics with many of the advantages of both.

Price a Problem

New materials, however, mean more manufacturers serving the same population. Also, the trend toward vertical integration—more so in United States than here—may have caused some fabric manufacturers to hesitate before embarking on any large-scale building program.

Another problem besetting cotton manufacturers is prices. As one manufacturer put it, the industry is forced to produce at wartime costs and at pre-war selling prices. If price restrictions vanish permanently, subsidies will also be removed, which would mean that manufacturers would be competing in world markets for raw material. It is a question whether an increase in prices resulting from decontrol would offset the increased cost of raw material.

The first step along the road to decontrol was taken early this year when subsidy on raw cotton was reduced four cents a pound, with a corresponding increase in selling price. So far, this change has had little effect on manufacturer or consumer. Big question mark is how far prices would move up without a ceiling. If rumors that some jobbers are holding big inventories are true, a heavy unloading could easily nullify any removal of price controls. In such a situation, consumers and jobbers might benefit, leaving the manufacturer in a less favorable position.

Canadian Cottons

Canadian Cottons Ltd. manufactures cotton piece goods, including denims, suitings, tickings, shirtings, ginghams, dress goods, flannelettes, eiderdowns, sheeting, blankets. The company has the exclusive spinning rights in Canada for Vistra fibres and Fast yarns. The postwar plan of development is based on the current necessity for replacement and modernization of equipment rather than investing in new buildings and machinery to share in the current abnormally large trade. Current needs, however, are abnormally large, due to inability to replace or modernize during the war years. The most essential equipment is being expedited so far as possible in the hope of securing a fair share of the immediate postwar trade.

Net profit for the year ended March 31, 1946, was up 19.5%. End of hostilities checked a downward trend in production since 1942 and the last half of the year saw an increase, due to increased employment. Net profit for the year ended March 31, 1946, was $708,730 ($592,982 a year before). Expenditures on capital assets were $221,518—part of a considerably large and postwar replacement program, to be completed over two or three years.

The company owns and operates six mills: Ontario mill at Hamilton; Stormont, Dundas and Canada mills at Cornwall, Ont.; St. Croix mill at Milltown, N.B.; and the Gibson mill at Marysville, N.B.

Cosmos Imperial

Cosmos Imperial Mills, Ltd. manufactures heavier grades of cotton duck used for making vessel sails, mechanical belting and hose, railway car roofing, binder canvases, tarpaulins, tents, awnings, filters and cotton dryer felts (used in paper-making machines). Plants at Yarmouth, N.S. and Hamilton, Ont. have a combined equipment of approximately 27,028 spindles and 218 looms.

Production was on a somewhat lower basis for 1945 but may be considered relatively satisfactory, having regard to a slight deduction in running schedule and continued shortage of labor, it was stated at the annual meeting.

Operating profit (after debenture interest) was $400,490 for 1945 ($524,322 for 1944). Retained net profit was $154,644 ($147,269), after excluding $7,731 in 1945 and $2,784 in 1944 refundable portion of excess profits tax. Earnings on a common share were $1.55 excluding or $1.62 including refundable EPT ($1.47 and $1.50 respectively for 1944).

Capitalization outstanding at Dec. 31, 1945, consisted of $190,000 3% serial debentures due Oct. 1, 1946-50 and 100,000 no par value common shares.

Substantial orders for machinery and equipment have been placed but delivery for the most part will not be received until late in 1946 or 1947, it is stated.

Dominion Fabrics

Dominion Fabrics, Ltd. manufactures towels, face cloths, bedspreads, tapestries and draperies at its plant in Dunnville, Ont. Through operation under lease of the plant of its wholly owned subsidiary, Dominion Yarns, Ltd. at Welland, Ont., it spins yarn for its own products. Its combined operations embrace the complete process from raw cotton to finished product, including spinning, winding, weaving, dyeing, bleaching and finishing.

The company was unable to keep pace with 1945 demand for its products, but the labor situation has eased and increased production is hoped for in 1946, President Thomas Camelford stated in the annual report. Fairly expensive purchases of new machinery are planned as soon as available.

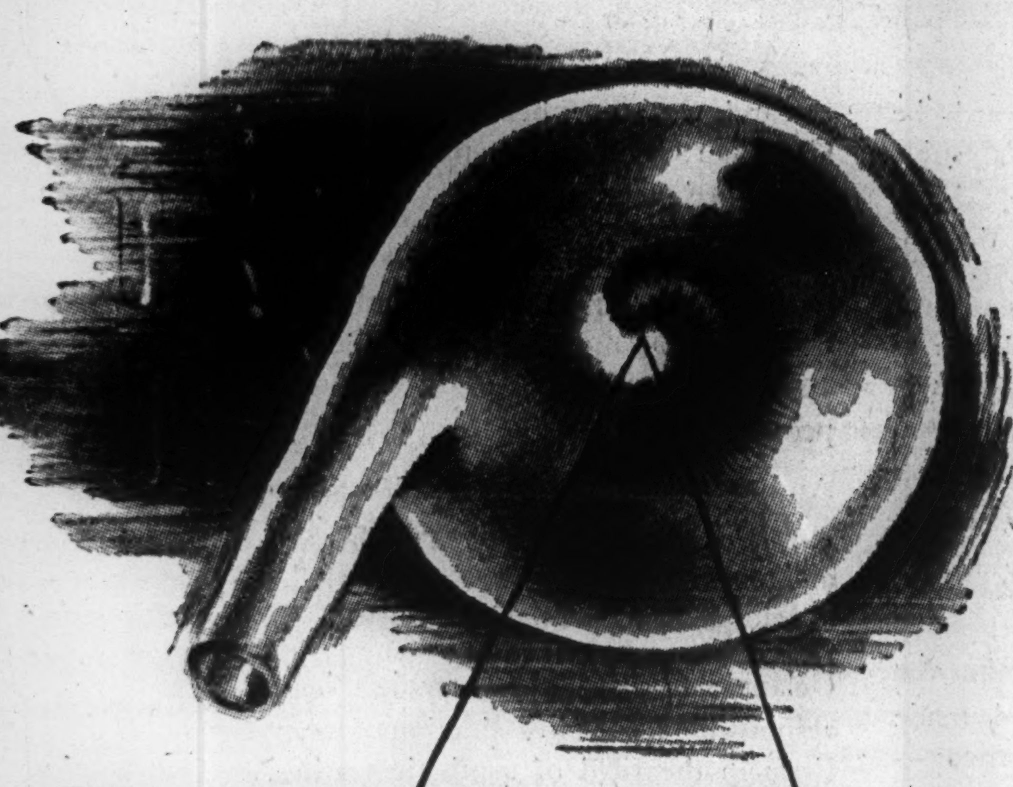
Net operating profit increased slightly to $262,118 in 1945 ($259,325 in 1944). Net profit was $132,189 ($133,610 in 1944). Earnings per share in 1945 amounted to $14.69 on the first preference, $5.26 on the second preference and $1.07 on the common ($14.85, $5.33 and $1.09 respectively in 1944).

Capitalization outstanding at Dec. 31, 1945, consisted of $450,000 of $50 par value 6% first preferred, 20,000 no par value $1.50 second preferred shares and $70,000 no par value common shares.

Dominion Textile

The outlook for Dominion Textile Co. Ltd. for 1946 is reported somewhat clouded due to strike action in three of the company's mills and by difficulty in obtaining ade-

(Continued on page 24)



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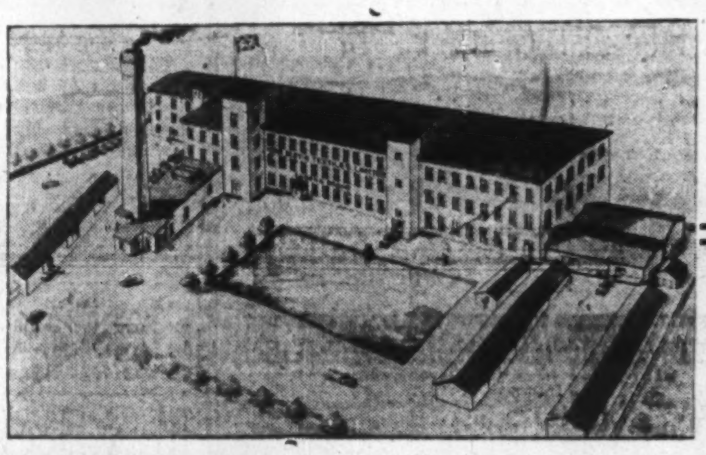

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Out of Canada's efficient mills and factories stretching from coast to coast, roll the fabrics and clothes that put Canadians among the best dressed people in the world.

Rayon has made its contribution to this high standard by helping manufacturers to produce finished fabrics and clothes that are durable, beautiful and economical. Scientific development of rayon has brought it to a point where it is second only to cotton in world wide use and where it is an essential of Canada's fabric needs in smart, fashionable clothes and home furnishings.

Courtaulds (Canada) Limited, established in Cornwall, Ontario, over twenty years ago, is the Dominion's leading supplier of viscose rayon yarns and staple fibres. The first yearly production of some 500,000 pounds of yarn has grown to twelve and a half million pounds. During the war years, some 50% of this production was diverted to essential war uses. Now, slowly, this rayon yarn is returning to fill the needs of a textile hungry market, and in this last year six and a half million pounds of staple fibre were imported from England. While the supply still cannot meet the demand, prospects for the future look brighter and it will not be too long before the yarn situation returns to normal.

An important phase of Courtaulds service to the Rayon Division of the Canadian Textile Industry is the "Quality-Control" Plan. Based upon the growing public demand for Branded Merchandise and informative labelling, "Quality-Control" is winning wider approval and support every day. Consumer requirements for all classes of Rayon fabrics have been determined in the completely independent laboratories of the Ontario Research Foundation who do the testing. A Dye Formula Development Department was recently established under the "Quality-Control" Plan and wherever possible, this department stands ready to help mills, dyers and dyestuff manufacturers with any problems they may face.

As Canada establishes itself as one of the leading textile producing countries in the world, Courtaulds (Canada) Limited seeks through service and cooperation to play its part in that growth.

COURTAULDS RAYON

Courtaulds (CANADA) LIMITED
Producers of Rayon Yarns only
Merchandising Department — University Tower, Montreal
Sales Offices — Montreal and Toronto

Cotton Supply Problem in Canada Aggravated by Rising U.S. Prices

(Continued from page 23)

quate supplies of cotton goods. It is stated that physical volume of sales was well maintained during the 1944-45 year but that a further decline in dollar value occurred, owing to the high proportion of goods supplied at ceiling prices. At real unit values, the company states that the dollar value of goods invoiced during the year would have been at least 20% greater than was the case. Substantial subsidy payments were received from the Commodity Prices Stabilization Corp. to offset extra losses incurred through processing imported gray cloth and rayon fabric and other products. President G. Blair Gordon recently told shareholders that the company has been forced to look for other sources of supply, since its Canadian operation in producing cotton cloth, has not been able to keep up with the demand.

The president stated that subsidy payments received helped to bring taxable earning to 116 2/3% of standard profits. The total of subsidies required for this purpose was materially less than in the previous year due to a decrease in cost of raw cottons and volume of gray cloth imported from the U. S. A., for finishing at the converting plant.

It is stated that a substantial loss before subsidy was incurred on the sales of ceiling price goods and that 86% of the company's output was sold at ceiling prices, which averages below 80% of the regular selling price for such goods. The other 14% of output was sold at regular selling prices and according to the company president yielded a small profit, which helped offset the loss on sales at ceiling prices. Net profit including subsidies was $2,119,770.

The annual report stated that throughout 1945 the mills had been hard-pressed to maintain production and delivery of goods at the highest possible volume. Business in the export field was sharply restricted by urgent need for cotton goods in Canada, but the company was permitted to make token shipments to regular foreign outlets. It is stated that the limiting factor in the capacity of the mills has been the supply of skilled and semi-skilled labor available. There has been no shortage of raw cotton but the price has moved upward, particularly in recent months. For many months, it is stated, it has been impossible to obtain a sufficient supply of gray cloth to maintain converting operations at full capacity.

The annual report states that a new item in the "assets" in the balance sheet called "investment in affiliated companies" reflected a move which became effective on Oct. 1, 1946, when the company became affiliated with Burlington Mills Corp. of Greensboro, N.C., largest fabricator of rayon goods in the United States to form Dominion Burlington Mills Ltd. in Canada.

Hamilton Cotton

Hamilton Cotton Co. spins and weaves cotton yarn and manufactures a varied line of cotton goods, including elastic webbing, webbing for straps, yarn and twine, cordage cotton products and cotton cloth. In addition to spinning all its own yarn, the company has a surplus of 55% which is sold. It also does all its own and custom work in dyeing and bleaching.

Products are distributed throughout Canada through various selling agents and also to British West Indies and New Zealand. Mills are situated in Hamilton and Trenton, Ont., the latter operated by a subsidiary, Trent Cotton Co.

Comprehensive plans for extension and rearrangement of plant facilities are being carried out and a building in Dundas, Ont. is being refitted for manufacturing purposes. Due to delay in obtaining machinery, the changes will not be completed until some time in 1947, it is stated.

Production of both plants is improving as more labor becomes available and further gradual improvement is anticipated, as new employees become experienced. Full demand for the company's products is expected during 1946, President A. V. Young stated in the annual report.

Net profit declined to $132,097 in 1945 from $133,874 in 1944. Earnings per common share were $1.65 in 1945 and $1.67 in the previous year.

Capitalization outstanding consists of $765,000 3% serial bonds due March 1, 1947-55, $650,000 3¾% sinking fund bonds due March 1, 1959, and 80,000 no par value common shares.

Montreal Cotton

Montreal Cottons Ltd. through its wholly owned subsidiary, The Montreal Cotton Co. operates plants engaged in the manufacture of plain cotton textiles and fancy goods, fine cottons and linings, artificial silk, spun rayon and cotton dress goods, shirtings and draperies. The mills also bleach, dye and finish these fabrics, according to requirements.

Net profit in 1945, including income from sources other than manufacturing operations and after making provisions for income and excess profit taxes, was $405,173 ($407,862 in 1944). Like Dominion Textiles, which holds a large block of stock in this company, Montreal Cottons Ltd. sold a large proportion of output at ceiling prices and received subsidy to offset the heavy losses thereby incurred, according to the annual report.

Demand for cotton goods and rayon fabrics has kept the mills fully occupied. Production was 5% less than in 1944, due mainly to shortage of skilled operators, it is stated. In March of this year WPTB cut the subsidy on raw cotton by 4c. a pound and the company was accorded an equivalent increase in the selling prices of cotton yarn and cloth. President G. B. Gordon states that there has been a sharp upward movement in cost of raw cotton the last few months and the company is still far from obtaining a return from sales in keeping with the cost of production.

Earnings per share in 1945 were equal to $13.51 on the preferred and $6.51 on the common stock ($13.60 and $6.60 respectively in 1943).

In the annual report the president stated that the company was selling its entire production of rayon goods directly to Dominion Burlington Mills Ltd. apart from a few lines involving cotton and rayon mixtures and specialty fabrics confined to certain trades, where the company is continuing to sell through the agency or the selling department of Dominion Textile Co.

Robinson Cotton

Robinson Cotton Mills Ltd. is engaged in the processing of cotton piece goods. Its plant at Woodbridge, Ont., has facilities for handling over 1,200,000 yards of cotton goods a week. Facilities include bleaching, dyeing, napping and shrinking (sanforizing). Finished materials are sold to garment makers, furniture makers, automobile manufacturers, wholesale dry goods trade, department and chain stores and others.

An $800,000 addition to the present plant is under construction. Devoted entirely to spinning and weaving, it is expected to be in production in the spring of 1947. Formerly the company purchased "grey goods" which it processed and a large proportion of which was imported. The entire output of the new unit is expected to be utilized by the company.

Public participation was invited in this formerly privately-owned firm with the offering of 22,500 no par value common shares this year. Capitalization outstanding consists of $1 million first mortgage 3%—3½% serial bonds due 1947 to 1961 and 150,000 no par value common shares. The Robinson family will continue to control the company, it is stated.

Wabasso Cottons

Wabasso Cottons Co. manufactures cotton yarns, fine cotton goods, including colored and white fabrics; lawns, muslins, cambrics, shirting, artificial silk products. The company and its subsidiary operate four mills with a total capacity of 1,765 looms and 107,324 spindles. Power is purchased from the Shawinigan Water and Power Co. Mills of the Wabasso Co. and of the St. Maurice Valley Cotton Mills Ltd. are at Three Rivers and those of the Shawinigan Cotton Co. at Shawinigan Falls and Three Rivers, Que. Along with other cotton manufacturers, Wabasso is faced with the problem of rising costs of raw cotton and other increased production costs. The company was organized in 1907 and received a bonus of $25,000 from the city of Three Rivers, together with tax exemption for 20 years.

Net operating earnings were $1,233,705 for the fiscal year ending Apr. 27, 1946 ($1,212,187 the previous fiscal year). Earnings per share were $4.88 excluding or $5.15 including the refundable portion of the excess profits tax for the 1945-46 fiscal year ($4.82 the previous year).

Capital outstanding at Apr. 27, 1946 consisted of $175,000 4% serial bonds due Feb. 1, 1948. $1 million 4½% bonds due Feb. 1, 1951, and 69,903 no par value common shares. A further $175,000 4% serial bonds due Feb. 1, 1947, were carried under current liabilities.

May Seek New Supply Sources Is Textile Hint

Strike "Putting Squeeze" on Company Operations —President Gordon

MONTREAL (Staff)—The statement of G. Blair Gordon, Dominion Textile Co. president, to shareholders recently, points up the squeeze which the present strike in the company's plants is putting on operations. Mr. Gordon stated that failure to obtain normal production from three of the five Montreal mills is causing the company to investigate other possible sources of supply.

This also brings to mind the rumor of a month or two ago, later denied by a company official, that Dominion Textile Co. had completed plans to extend its operations by opening a mill in the southern states.

What "other sources of supply," the company will investigate has not been stated. But The Financial Post understands that officials have never ruled out the possibility that they may some day have to take determined steps to ensure an adequate supply of cotton fabric for converting operations. With the present impasse in the strike situation, it is not considered likely that officials look with favor on any plan to increase production capacity in Canada just now.

Aggravating the Canadian cotton goods supply situation is the present attitude of U. S. exporters, that allocations for Canada should be cut. Canadian gray cloth production has never been equal to the demands of converters, and cotton goods manufacturers draw heavily on U. S. supplies. Under the Hyde Park Agreement, Canada was to be allocated a portion of U. S. cotton goods and it is reported that this allocation has been running between 50 and 65 million sq. yds. a quarter.

U. S. exporters were recently reported as saying that they do not feel they should supply Canada with yardage for which there may not be an immediate need. They would like to see present allocation for Canada scaled down, to supply other markets such as the Philippines and South America. Allocation of production in the United States has been in the hands of the Civilian Production Administration, which textile men say has served its purpose so far as regulating export markets goes.

If U. S. exporters win the day, Dominion Textile's shopping expedition for "other sources of supply" might have to pull up short. Other alternatives, however, might be to increase production through operations of a U. S. plant, or to arrange a closer tie-up with one or more U. S. producers.

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The WABASSO COTTON COMPANY, LIMITED
THREE RIVERS, QUE.

Textiles Short But Abundance Is Seen Ahead

(Continued from page 17)

der present price regulations, certain grades of woollen and worsted cloth which would normally go into men's suit production, are now being diverted into other lines, e.g. women's suits. It is said that the more moderate production costs in these other lines make for greater profit.

About 50,000 veterans are still to be discharged between now and early winter. With this unfilled market once out of the way, tailors and suit manufacturers will be in a position to get working on the big backlog of civilian demand.

Generally speaking the labor supply in the woollen and worsted industry has shown some improvement over last year but employment in the spinning division is still about 25% below capacity, manufacturers say. Canadian mills are favorably situated as far as labor is concerned, most of them being located in small communities. Absenteeism, labor turnover and general restlessness which affected most labor toward the latter stages of the war, were less pronounced in the smaller communities where the mills are situated.

The raw material supply has been fairly good this year. Last year's Canadian wool clip was of average proportions and supply of certain types of finer Australian merino "tops"—very scarce last year—are now in better supply.

Fear Saturation Point

Despite current high demand, some concern is already being felt in the woollen and worsted industry as to how long the market will be able to absorb the present high—and increasing—production rate. A continuing high national income would be absolutely necessary to support pre-war import levels in addition to present domestic output, manufacturers say.

Here is the supply situation in other important textile lines.

Hosiery (nylon)—still very scarce. one reason is said to be that women are buying more than their immediate needs. Also, there is a big current and potential demand for this item. Production of nylon yarn is said to be satisfactory and it is likely that the gap between supply and demand will be gradually reduced in the coming months. **Rayon** hosiery is also very scarce, with a large percentage of rayon yarn going into fabrics. An unsatisfactory labor condition is also said to have held up production.

Women's and Children's Dresses—in very good supply both of cotton and rayon. Future for cotton goods does not look too bright and some think there may be a shortage later on.

Men's Shirts—an acute shortage of this item with manufacturers promising little. Helping the situation, however, is WPTB order cutting back production of women's shirts, which had been taking a considerable part of shirting material. A cutback of sport shirt production might help the dress shirt production this fall and winter. With an uncertain future for cotton cloth imports and domestic manufacture textile men hesitate to predict any improvement in the supply of this item.

Women's Cloth Coats—are said to be in good supply and there is also a fair range.

Men's Topcoats and Showerproof Coats—how far supplies of this item will go toward meeting demand is uncertain until the start of fall buying. Buying trend last year appeared to be toward the showerproof and all-weather coats. While this was a fairly short supply item in 1945, there was heavy buying by discharged servicemen which is not likely to be repeated this year.

Men's Socks—distribution seems to be the important factor with this item since some areas haye adequate stock while others are finding it difficult to keep ahead of demand. Generally there appears to be no acute shortage and the supply, it is said, will likely improve. Some sock manufacturers were filling government orders for some months after war's end.

Shorts and Pyjamas—supply of men's shorts is said to be still falling behind demand and has much the same future as men's shirts and other cotton goods. Men's pyjamas are said to be in good supply since they are higher-priced items and in many cases have probably taken first call on manufacturers' cotton yardage.

Lingerie—good supply of practically all kinds both in cotton and rayon, it is stated.

Bedding—cotton sheets and fine wool blankets are hard to get, it is reported. This is the direct result of reduced cotton imports and labor hold-ups in cotton textiles; also the shortage of fine wools. Best hope for the future is more wool from Britain, more cotton from United States.

Draperies—generally a good overall supply, since fabrics used for this purpose are not in great demand for other type of merchandise.

Woollen Underwear — prospects for 1946 fall and winter supply are poor unless more yarns become available. Knitting mills are said to have, in some cases, a surplus of labor but shortage of working material. Underwear knitters have about 40% of early 1945 yarn inventories and about the only relief that can be expected is increased shipments from United Kingdom.

The ABC of Synthetic Textiles

(Continued from page 17)

SARAN — Dow Chemical Co., a synthetic resin extruded and spun into yarn under such trade names as Sapphire, Lumite or Saran. Does not absorb water, is unaffected by most acids and alkalis.

SOYLON — Drackett Co. in the United States, a fibre made from soybean, said to be weaker than wool, to possess properties similar to Aralac.

SUPERFINE FIBERGLAS — Fiberglas of Canada Ltd., a glass filament as fine as 1/10th the gauge of regular Fiberglas, so flexible it will bend rather than penetrate the skin, so possible use seen in clothing as well as for lightweight interlining insulation. Closest parallel in nature for texture and weight is milkweed floss.

TENASCO — Courtaulds (Canada) Ltd., trade name for high tenacity nylon yarn, nearly double the strength of rayon yarn. Used extensively during the war by tire manufacturers.

VELOFILM — Firestone Tire & Rubber Co. of Canada Ltd., plastic film can be made transparent, translucent, or opaque, can be sewed, cemented or heat sealed into raincoats, tobacco pouches, wrist watch bands, mildew-proof wrappings.

VELON — Firestone Tire & Rubber Co. of Canada Ltd., extruded plastic thread for weaving into scuff-proof, insect-, rot-, fireproof fabrics for upholstery. Also available today in screening.

VINYLITE — Canadian Resins & Chemicals Ltd., plastic film used in golf jackets, raincoats, millinery, swim suits and an expected rival for cotton rayon. Recent development of inks for printing Vinylite has made possible production of the fabric in printed patterns.

VINYON — American Viscose Corp. in the U. S., yarn formed by extruded Vinylite, nonabsorbent, inert to most chemicals, mildew-proof, will not burn but melts at 260 deg. F., will begin to shrink at 150 deg. F. Used to date in filter cloths, fishing lines and nets. Sensitivity to heat limits its use in clothing field.

VITAFILM — Goodyear Tire & Rubber Co. of Canada Ltd., transparent plastic film used in shower curtains, aprons, garment bags, etc.

Managed Investment

Bralorne Mines Sold For MacNab Account

MacNab sells Bralorne Mines in anticipation of strike action. Proceeds are to be left uninvested pending a favorable opportunity to purchase another security. As at June 14, 1946, capital gain on original $10,000 amounted to 61.78% and present annual yield is at rate of 6.21%.

MacNab's Transactions

SOLD:

No. of Shares	Security	Price	Amount
50	Bralorne Mines ...	$13¾	$674.00

Transaction made on June 19.

MacNab Fund Now Stands

No. of Shares	Security	Cost per sh.	‡Market per sh.
	Common Stocks		
10	Bell Phone of Can.	172½	215
15	Brazilian Tract.	26¾	23
55	Can. Breweries	13¼	26
10	Can. Celanese	50	67½
10	Can. Westinghouse	55	57
25	Nat. Steel Car	18¾	28¼
25	Powell River	18½	32
	Mining Stocks		
1,000	Nechi Cons.	1	1½
50	Bralorne Mines	14½	19½
	Preferred Stocks		
5	Algoma Steel, 5% pf. .	97	100
20	Aluminum Can. 5% p..	25	27
10	Argus 4½%	100	100¼
20	Can. Canners, 1st p. ...	23¾	31
10	Can. St'mships, 5% p. ..	40	52
10	Steel of Can.	86	82¾
20	Hiram Walker, $1	22¾	22
10	Goodyear Tire 5%	56¼	56
50	Eddy Paper	22	23
	Bonds		
$1,000	Canada 1¾%/47		$100.45
	Cash		$72.03
	Current market value of fund ..		$16,187.78
	Prospective annual income		$621.50
	Average yield on original $10,000 is		6.21%

‡Valuations at close June 14.

MacNab's Manager Says

In my last report I advised that I had sold 20 shares Ford of Canada A stock, 50 Argus Warrants, 20 Massey Harris Common and $1,000 Dominion 2% bond due 1946 and with the proceeds reinvested in 10 shares Eddy Paper preferred stock and 1,000 shares Nechi Consolidated Dredging Ltd. common shares, both at the issue price, ($22 and $1.07 respectively). After this transaction was made, there remained $72.03 uninvested cash in your account, not including dividends received and disbursements of $25 per month paid to you since last month.

I have decided to sell your Bralorne shares at $13.75 a share as the possibility of the mine being closed down by a strike is becoming more of a reality. The question of whether the company can earn the present dividend is one that is not clear, but, in any event, it would seem prudent to lighten further your holdings of gold stocks, in view of the addition of 1,000 shares Nechi to your portfolio. For the time being I shall leave the proceeds of this sale uninvested, pending favorable opportunity to purchase another security.

Rayon To Mean Better Tires

(Continued from page 17)

which withstood the tremendous strain of bringing in the Allies' super-bombers to safe and happy landings. There wasn't enough nylon produced to allow its use in tires made for ordinary Army, Air Force and Navy ground transport during the war, and when it may come into general use in tire manufacturing is still a thing of the future.

Need for conservation of meagre rubber stocks at the outbreak of the war, plus the growth of the synthetic rubber program, led to the summary wedding of rayon fabrics to synthetic rubber and rayon's ascent in tire making was meteoric. It gave tires used on Allied forces' ground transport longer life and thus extended the Allies' rubber supply, and the miles delivered per pound of rubber were increased both by reduction in the weight of crude rubber in the tire and by the increase in actual tire life.

With rayon presenting itself as the happy medium between cotton and nylon cord in peacetime tire production, the motoring public can look forward to the day when the synthetic rubber on their cars will have rayon cord construction to all but eliminate the heat-generating effects of cotton corded synthetics.

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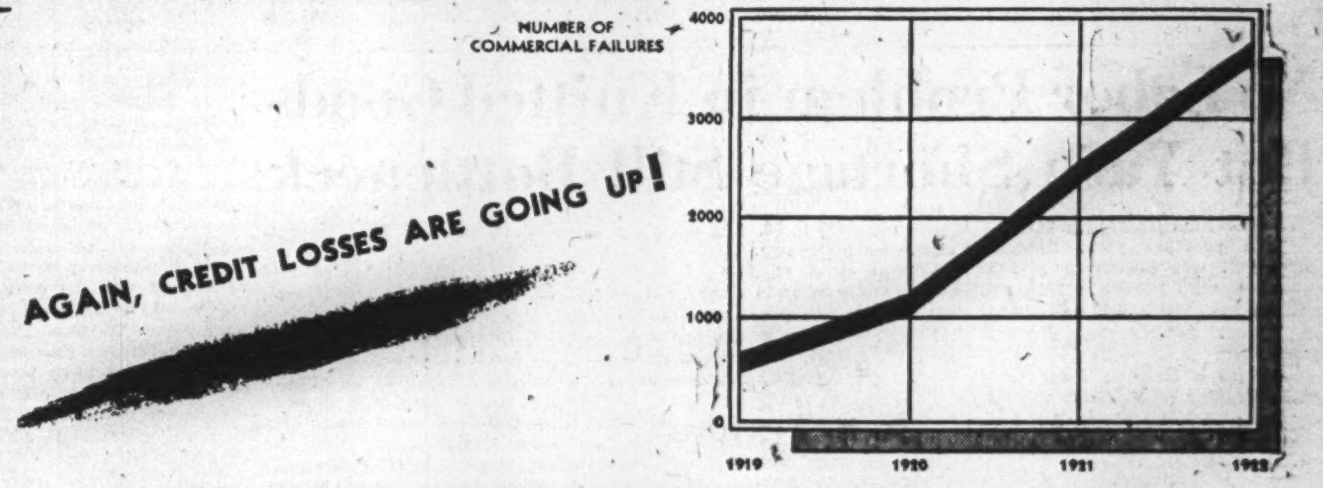

Commercial Failures for the First Four Months of 1946 Are Up 80% Over the Same Period for 1945

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The Financial Post Statistical Record of Textile Companies

Unless otherwise stated the year taken is the calendar year; net earnings, the amount available for depreciation, bond interest, write-offs and taxes, after all expenses; total income taxes, the gross amount of income taxes including refundable portion, if any; net profit is shown on a "retained" basis after total income taxes as defined; surplus for the year is the balance of "retained" net profit after dividends provided for the year; total refundable portion is the accumulated total to the end of the latest fiscal year shown.

Company	Year	Funded Debt $	Net Earnings $	Deprec. $	Total Inc. Taxes $	Net Profit After Total Taxes $	Earnings per Share Preferred Excl. Ref. EPT $	Preferred Inc. Ref. EPT $	Common Excl. Ref. EPT $	Common Inc. Ref. EPT $	Dividends Pref. $	Dividends Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	Officers and Directors
ACME GLOVE WORKS	1945	......	230,933	13,830	147,517	69,586	10.12	13.16	1.04	1.91	6.50	nil	24,872	1,056,570	87,535	Alphonse Lepine, pres.; F. G. Donaldson*, vice-pres.; H. D. Dwyer, E. Lavoie, A. E. Clark, G. B. Foster; Montreal; W. Burke, Joliette, P.Q. *Deceased.
	1944	......	288,234	20,043	200,790	67,401	9.80	14.39	0.95	2.26	6.50	nil	22,688	1,039,454	70,622	
BELDING-CORTICELLI	*1945	......	563,327	150,553	281,400	131,374	15.18	18.40	9.45	13.17	7.00	6.00	25,833	1,647,890	125,912	W. P. MacDougall, pres. & man. dir.; J. M. Mackie, vice-pres.; R. C. Vaughan, P. F. Sise, A. S. Bruneau, J. D. Johnson, C. E. Gravel; Montreal. Asst. gen. mgr.—W. G. Hicks. Treas.—L. B. Ramsey. Sec.—D. F. Pollock.
*Year ended Nov. 30.	*1944	......	553,448	140,209	287,033	126,206	14.59	19.28	8.76	14.17	7.00	6.00	20,665	1,655,169	98,028	
BILTMORE HATS	*1945	100,000	215,845	18,973	93,850	79,022	...	...	0.99	1.09	...	0.60	31,022	523,436	28,615	J. A. Fraser, pres., Toronto; W. J. Tiller, vice-pres. & gen. mgr.; W. F. Franke, vice-pres. & sec.-treas.; R. P. Ramsey; Guelph, Ont.; A. G. A. Spence, Toronto.
*Year ended Nov. 30.	*1944	100,000	184,110	19,403	80,773	80,434	...	...	1.01	1.07	...	0.60	44,434	501,673	20,190	
BRANTFORD CORDAGE	*1945	......	180,377	11,639	70,000	112,346	†3.38	...	0.86	...	1.30	0.37½	39,092	1,990,735	17,500	W. M. Messecar, pres. & gen mgr.; W. C. Wells, vice-pres. & sec.-treas.; A. M. James, C. Johnson, P. R. Logan; Brantford, Ont.; Glyn Osler, H. R. Tudhope, Toronto.
*Year ended Aug. 31. †First pref. only; 2nd pref. net exchanged for common redeemed during 1944.	*1944	......	212,955	20,459	80,000	145,129	†4.35	...	1.27	...	†1.30	nil	101,456	1,997,376	17,500	
BRUCK SILK MILLS	*1945	‡	851,340	159,728	579,882	87,075	...	...	0.70	1.57	...	0.50	24,575	823,474	253,725	I. I. Bruck, pres., Montreal; L. S. Lee, vice-pres., Cowansville, P.Q.; A. M. Flanders, vice-pres.; H. Stern, sec.; Morton Darling, H. D. Dwyer, R. B. Perrault, H. E. Herschorn, G. L. Bruck, Allan Watt; Montreal; W. B. Phillips, London, Eng.
*Year ended Oct. 31. ‡Retired Nov. 1, 1945.	*1944	379,300	820,758	172,066	558,218	65,528	...	...	0.52	1.31	...	0.40	15,528	1,348,132	144,767	
BUTTERFLY HOSIERY CO.	1945	......	137,851	30,517	49,400	57,934	‡	‡	*0.52	*0.53	‡	*40.00	9,319	564,055	32,257	Chas. Chipman, pres., New York; Russell Weaver, vice-pres. & mgr., Drummondville, P.Q.; E. B. Beacham, vice-pres., Easton, Pa.; M. B. Holton, treas.; W. V. Holton, sec.; Hamilton.
*Based on 1946 new capitalization. ‡At Mar., 1946, all but 714 pref. shs. converted into common; 7% divds. paid to date. *Old $100 par stock.	1944	......	150,158	31,119	58,907	60,132	‡	‡	*0.54	*0.58	‡	*40.00	......	......	......	
CALDWELL LINEN MILLS	1945	......	226,622	44,850	101,062	80,710	†5.38	†6.01	0.95	1.19	†1.50	0.50	18,210	402,603	56,526	H. H. Caldwell, pres. & gen. mgr., Prescott, Ont.; C. V. Ellis, sec.-treas., Iroquois, Ont.; S. G. Dixon, Montreal; W. P. Scott, Toronto; J. A. Anderson.
†First pref. only.	1944	......	252,359	38,422	133,273	80,664	†5.38	†6.43	0.95	1.35	†1.50	0.50	18,164	450,134	47,123	
CANADIAN CELANESE	1945	5,000,000	4,905,657	594,269	2,737,000	1,389,932	†3.17	†4.10	‡1.83	‡3.02	†*0.43¾	2.00	▪60,286	9,583,494	1,411,000	G. H. Whigham*, chm., London, Eng.; Dr. Camille Dreyfus*, pres.; W. McC. Cameron*, vice-pres.; New York; C. W. Palmer, vice-pres., Montreal; R. H. Sperling, vice-pres., Drummondville, P.Q.; Sir Wm. Alexander, Jos. Simard, London, Eng.; A. Schwartz, New York; H. Blancke, P. A. Thomson*, Montreal; Rt. Hon. Arthur Meighen, Toronto. Sec.—R. O. Gilbert. Treas.—A. G. Allan. *Member finance and executive committee.
†New stock. ‡Based on new capitalization. •On old stock $5.25 plus 57c. partic. divd. pd. *Participating dividend. ▪Deficit.	1944	5,000,000	4,852,504	643,547	2,745,000	1,393,971	12.72	16.43	1.98	3.27	7.00+*0.53	2.00	▪2,247	10,369,108	1,040,000	
CANADIAN CONVERTERS	*1945	600,000	180,107	22,855	85,355	71,997	...	...	4.15	4.59	...	3.00	19,992	1,245,079	56,768	H. C. Flood, pres.; D. S. Dubin, vice-pres. & controller; T. M. Barrington, sec.-treas.; G. B. Foster, Henri Geoffrion, Lazarus Phillips, Montreal; W. W. Clarke.
*Year ended April 30.	*1944	......	254,862	17,035	172,557	65,270	...	...	3.77	5.25	...	3.00	13,265	777,386	50,798	
CANADIAN COTTONS	*1946	......	†1,484,627	275,897	450,000	708,730	4.29	...	3.69	...	1.20	1.35+0.15	303,687	8,320,622	186,616	R. G. Tolmie, chm., Montreal; E. C. Fox, pres. & man. dir., Toronto; W. V. Boyd, vice-pres., Cornwall, Ont.; J. I. Roy, gen. mgr. & compt.; Joseph Dolphin, mgr. of mills; Sir H. Montagu Allan, A. S. Bruneau, MacMillan Boyd, D. A. Campbell; Montreal. Sec.-treas.—K. L. Hamilton.
*Year ended Mar. 31. †Including subsidy.	*1945	......	†1,532,845	339,863	550,000	592,982	▪3.55	...	2.85	...	1.20	1.20	227,516	8,032,705	186,616	
CELTIC KNITTING	1945	......	49,865	6,175	35,456	8,234	...	...	0.30	0.54	...	0.20	2,834	105,797	20,991	E. P. Gordon, pres.; A. C. Howatson, vice-pres. & man. dir.; E. D. Gordon, sec.-treas.; W. F. Graw, W. K. Nelles; Montreal.
	1944	......	52,334	4,980	39,585	7,769	...	...	0.29	0.56	...	nil	7,769	105,921	14,604	
CIRCLE BAR KNITTING	*1945	......	156,285	20,202	95,079	41,004	...	...	1.59	2.09	...	0.60+0.20	29,260	595,266	36,951	Wm. Mitchell, pres.; S. C. Mitchell, vice-pres.; J. A. Robinson, O. J. Mooney, W. J. Mitchell; Kincardine, Ont. Sec. pro tem—M. I. Stewart.
*Year ended June 30.	*1944	......	168,102	18,176	113,485	36,441	...	...	1.42	2.07	...	0.45+0.15	30,857	598,962	23,846	
CONSOLIDATED TEXTILE MILLS	1945	......	......	......	......	61,355	...	...	...	...	...	...	......	354,473	24,886	J. M. Bornstein, pres.; G. H. Bornstein, vice-pres.; G. M. Hawthorn, G. E. A. McCain, Joseph Shapiro; Montreal. Sec.—Morris Bronstein. Treas.—H. A. Bornstein.
	1944	......	......	......	......	51,313	...	...	...	...	...	...	......	......	......	
COSMOS IMPERIAL MILLS	1945	190,000	418,444	52,300	179,500	154,644	...	...	1.55	1.62	...	1.20+0.15	19,644	1,788,288	39,352	W. S. Burrill, pres. & gen. man.; A. V. Young, vice-pres.; W. T. Mayo, R. R. Evans, J. V. Young; Hamilton, Ont.; G. H. Allen, Yarmouth, N.S.; H. R. Tudhope, Toronto. Asst. sec.-treas.—M. McKnight. Compt.—J. T. Scarlett.
	1944	228,000	539,148	185,679	179,000	147,269	...	...	1.47	1.50	...	1.20+0.15	12,269	1,748,492	31,621	
DOMINION FABRICS	1945	......	262,118	35,929	94,000	132,189	†14.69	...	1.07	...	†3.00	0.80	19,189	775,562	14,119	Thomas Camelford, pres.; J. G. Camelford, vice-pres.; W. W. Camelford, sec.; Mary Camelford, treas.; Dorothy F. Camelford, Capt. J. A. Camelford, Dunnville, Ont.; H. W. Lofft, Toronto.
†First pref. only; on 2nd pref. $3.26 earned in 1945, $3.33 in 1944 and $1.50 per sh. pd. in both years.	1944	......	259,325	34,715	91,000	133,610	†14.85	...	1.09	...	†3.00	0.80	20,610	724,111	13,477	
DOMINION TEXTILES	*1946	3,800,000	4,977,568	1,200,000	1,509,847	2,119,770	109.23	...	7.35	...	7.00	5.00	‡135,074	16,087,786	565,521	G. B. Gordon, pres. & man dir.; W. A. Eden, vice-pres.; F. R. Daniels, gen. mfg. mgr.; A. F. Baillie, J. P. Black, S. J. Milligan, Hon. C. A. Dunning; Montreal. Sec.—L. P. Webster. Treas. R. A. Lang.
*Year ended Mar. 31. ‡After transfer to pension fund of $498,854 in 1946, $976,125 in 1945.	*1945	3,900,000	6,026,439	1,500,000	1,587,251	2,788,287	143.68	...	9.82	...	7.00	5.00	‡326,320	15,504,769	565,521	
DOMINION WOOLLENS & WORSTEDS	1945	1,815,200	526,886	74,202	147,000	219,424	...	...	1.49	...	...	*0.12½	201,014	1,720,529	......	J. W. Hobbs, chm.; Henry Barrett, pres.; J. A. Gairdner, vice-pres.; Toronto; H. B. Bonner, gen. mgr., Hespeler, Ont.; G. D. Perry, Toronto; C. M. Heddle, Oakville, Ont.; C. F. Farwell. Sec.-treas.—S. W. Haufschild.
*Paid Feb. 1, 1946. †Paid in 1945.	1944	1,920,200	572,127	87,000	152,000	223,827	...	...	1.52	...	...	†0.50	150,186	1,518,895	......	
ESMOND MILLS	1945	......	163,276	7,594	82,777	72,905	*4.86	...	1.61	...	...	nil	......	545,276	23,704	H. C. Whitman, chm.; R. R. West, pres.; Boughton Cobb, vice-pres.; Gerald Whitman, treas.; New York; G. E. Nixon, man. dir.; J. G. Porteous, sec.; G. K. Beddoe; Montreal.
*New stock issued in 1946.	1944	......	143,097	13,433	51,641	77,023	*5.13	...	1.72	...	...	0.50	......	......	......	
GENERAL PRODUCTS MANUFACT'G	1945	......	200,966	......	50,000	150,966	37.22	...	1.30	...	5.00	nil	130,186	377,101	......	W. S. Thompson, pres.; J. D. Good, vice-pres.; A. S. Thompson, vice-pres.; J. G. Thompson, sec.-treas; R. W. Robertson, W. L. Baragar, W. H. McPhillips, M. O'Donnell; London, Ont.; M. H. Ray.
	1944	......	148,986	......	60,000	88,986	20.91	...	0.68	...	5.00	nil	67,558	257,951	......	
HAMILTON COTTON	1945	1,415,000	387,807	124,932	91,000	132,097	...	...	1.65	...	...	0.90	60,097	1,630,629	......	A. V. Young, pres. & gen. mgr.; Maj.-Gen. J. V. Young, vice-pres. & treas.; W. S. Burrill, R. R. Evans, Fred. Allen, W. L. McMahon; Hamilton; Dunlop Stewart, H. R. Tudhope, H. B. Stewart, Toronto. Sec.—E. G. Howe.
	1944	765,000	436,215	187,911	89,000	133,874	...	...	1.67	...	...	0.90	61,874	1,572,173	......	
HARDING CARPETS	*†1945	409,000	450,451	79,202	213,000	141,016	...	...	0.61	0.72	...	0.20	99,807	1,515,064	73,601	J. S. Dickson, pres., Toronto; E. A. Mott, vice-pres.; C. V. Banks, gen. mgr.; C. G. Cockshutt; Brantford, Ont.; H. J. McLaughlin, Toronto; H. Quarmby, Guelph, Ont.; Frank Harding, London, Ont.; Col. C. M. Harding, Toronto. Sec.—A. R. Wynn.
*Year ended Oct. 31. †Cons. statement incl. Guelph Caarpet & Worsted Spinning Mills.	*†1944	428,500	289,535	52,894	101,000	80,838	...	...	0.45	...	...	0.20	45,711	1,330,137	50,015	
MERCURY MILLS	1945	750,000	491,926	65,423	245,000	153,628	...	...	1.62	1.92	...	0.80	78,052	1,566,851	48,978	R. H. Hommel, pres. & gen. mgr.; J. J. McHardy, vice-pres.; W. H. Cooper, H. G. Smith; Hamilton; J. H. Gundy, Dunlop Stewart, R. W. S. Johnston, H. B. Housser, Toronto; G. A. Dobbie, Galt, Ont. Sec.-treas.—A. G. Howey.
	1944	800,000	518,792	147,914	203,000	137,318	...	...	1.45	1.66	...	0.20	118,425	1,499,031	20,979	
MONARCH KNITTING	1945	*1,000,000	245,042	70,000	99,000	76,042	‡12.76	‡14.69	†0.40	†0.51	§	nil	▪26,413	526,986	108,244	J. A. Burns, chm., Dunnville, Ont.; Rt. Hon. Lord Barnby, pres., London, Eng.; K. L. Markon, vice-pres. & gen. mgr.; F. J. Coombs, vice-pres.; F. C. Deacon, W. K. Fraser, W. H. Denton; Toronto. Sec.—D. A. McIntosh. Treas.—R. N. Baird.
*Issued in Mar., 1946. ‡New 7% and 5% pref. stock; balance of new 7% pref. o/s redeemed Apr. 2, 1946. †New n.p.v. shs. §$7 and $5 paid on new preference, and $8.91% per sh. on old 7% preferred.	1944	......	259,112	50,000	134,972	74,140	9.89	12.15	1.70	3.03	7.00	nil	21,640	1,153,718	60,083	
MONTREAL COTTONS	1945	......	1,056,241	300,000	351,068	405,173	*13.51	...	†6.51	...	7.00	4.00	75,173	3,983,515	121,954	G. B. Gordon, pres., Montreal; W. G. E. Aird, vice-pres. & man. dir., Valleyfield, P.Q.; E. A. Robertson, Charles Laurendeau, Hon. C. A. Dunning, J. P. Black, Walter Molson, Montreal. Sec.-treas. & compt.—Charles Gurnham.
†Based on 1946 capitalization, new $25 par pref. earned $3.38 per sh., new n.p.v. common 59c. per sh.	1944	......	1,161,534	400,000	353,671	407,863	13.60	...	6.60	...	7.00	4.00	77,863	4,064,225	120,693	
							"A"		"B"							
NATIONAL HOSIERY MILLS	1945	......	347,240	23,974	278,775	44,491	*(0.54)	*(1.15)	*(d0.11)	*(1.10)	*	*	40,180	380,464	133,672	E. B. Eastburn, pres.; C. V. Langs; Hamilton, Ont.
*Based on new capitalization approved June, 1946. Balance of 5½% cum. pref. $5 par created Dec., 1944 (replacing previous non-cum. pref.) redeemed June 30, 1946, at $5.50 per sh. and accrued divd.; 55c. divd. pd. in 1945; none paid on common.	1944	......	352,162	44,352	264,102	43,708	*(0.53)	*(1.11)	*(d0.13)	*(1.01)	*	*	43,708	384,681	83,920	d—Deficit earnings per sh.
PENMANS	1945	1,548,500	1,097,581	225,000	452,000	335,414	31.20	36.78	4.20	5.13	6.00	3.00	77,360	3,637,349	242,000	A. F. Baillie, pres.; H. W. Lundy, vice-pres. & gen. mgr.; C. B. Robinson, sec.-treas.; J. N. Laing, H. B. MacDougall, J. P. Black, G. W. Grier, G. B. Gordon; Montreal.
	1944	1,548,500	1,138,402	225,000	432,000	396,262	36.86	43.09	5.14	6.18	6.00	3.00	138,208	3,456,603	182,000	
REGENT KNITTING MILLS	1945	334,000	722,048	62,473	528,706	86,387	5.40	11.25	0.94	2.38	1.60	0.50	28,282	887,416	295,061	C. G. de Tonnancour*, pres.; H. Grover*, vice-pres. & man. dir.; J. C. Belle Isle*, sec.-treas.; W. J. Radcliffe, Joseph Shapiro, D. Drapeau, J. E. Savard, de Gaspé Beaubien*; Montreal; H. Holdroyd*, Toronto. *Member executive committee.
▪Deficit.	1944	355,000	656,085	52,995	531,998	49,225	3.08	9.28	0.36	1.89	1.60	0.50	▪8,880	987,971	201,389	
							"A"		"B"		"A"	"B"				
RIVERSIDE SILK MILLS	1945	......	......	......	......	72,091	2.40	2.77	0.61	1.16	2.00	0.50	2,091	596,405	34,960	E. M. McCormick, pres.; D. W. McCormick, vice-pres.; G. H. McCormick, sec.-treas.; C. A. McCormick; Galt, Ont.; F. J. Coombs, Toronto.
▪Deficit.	1944	......	......	......	......	63,963	2.13	2.46	0.20	0.68	2.00	0.50	▪6,037	567,882	23,928	
ROBINSON COTTON MILLS	*1945	†1,000,000	......	......	112,226	162,459	...	...	...	...	...	‡1.08	......	†2,115,319	......	William Robertson, pres.; W. W. Robinson, vice-pres. & man. dir.; W. H. Robinson, mill mgr.; W. J. McCreight, treas.; Toronto; Gordon Robinson, sec., Oakville, Ont.; C. T. Cluff, Winnipeg; Fred Slater, Montreal.
*Years ended Dec. 18. ‡Based on 1946 capitalization. †As at Mar. 16, 1946, after issuance of $1,000,000 bonds dated May 1, 1946.	*1944	......	......	......	124,695	170,328	...	...	...	...	...	‡1.14	......	......	......	
SILKNIT LIMITED	1945	389,600	794,584	86,919	555,861	108,149	11.69	19.66	1.22	2.55	2.00	nil	73,260	1,232,311	213,900	M. H. Epstein, pres.; W. B. Milner, vice-pres.; E. J. Leranbaum, treas.; H. T. Burgess, sec.; E. G. McMillan, H. B. Epstein; Toronto.
*Issued under capital change approved Jan., 1945. *Old stock.	1944	*400,000	657,451	97,390	436,255	105,315	(8.74)	(15.14)	(0.84)	(1.90)	*3.00	nil	60,426	1,227,957	134,200	
STANFIELD'S LTD.	1945	20,000	......	......	......	114,883	...	...	11.49	12.01	...	5.00	71,635	809,291	23,472	F. T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, sec.; E. H. Abbott, treas.; H. F. Bethel, E. B. McDaniel; Truro, N.S.
	1944	40,000	......	......	......	107,157	...	...	10.72	11.09	...	5.00	57,157	885,353	18,256	
TIP TOP TAILORS	1945	930,000	696,087	67,214	350,000	243,479	†	†	2.03	...	†	0.30	207,479	2,180,776	219,000	David Dunkelman, pres. & gen. mgr.; Rose Dunkelman, vice-pres.; H. P. Mackechnie, J. S. Dunkelman, Benjamin Dunkelman, R. A. Daly; Toronto; A. Miller, Hamilton, Ont.; Sec.-treas.—H. E. Clayton.
†Redeemed Jan. 1, 1945, at 110.	1944	......	1,032,872	74,700	760,000	176,899	17.98	31.09	0.90	1.98	7.00	0.30	72,033	1,908,181	254,000	
TOOKE BROS.	1945	......	172,647	29,176	106,581	36,890	...	...	1.26	1.80	...	1.00	7,565	508,921	64,322	W. M. Weir, chm.; H. H. Woodward, pres. and man. dir.; G. A. Blundell, sec.-treas.; W. G. Hanson, D. W. Partridge, C. W. MacLean, G. H. Imrie; Montreal.
	1944	......	208,283	29,090	136,044	43,149	...	...	1.47	2.21	...	1.00	13,824	502,974	48,655	
VERNEY MILLS OF CANADA	1945	500,000	263,951	13,377	113,385	110,276	...	...	20.05	21.35	...	nil	110,276	559,757	39,646	Gilbert Verney, pres.; E. H. Wolfes, vice-pres. & treas.; A. J. Owler, vice-pres.; Boston, Mass.; J. G. Porteous, sec.; J. S. Aird; Montreal; Oliver Iselin, Jarvis Cromwell, F. W. Jefferson, New York.
WABASSO COTTON	*1946	1,175,000	1,330,801	590,262	335,000	341,350	...	...	4.88	5.15	...	4.00	61,738	2,589,704	84,653	C. R. Whithead*, pres., Three Rivers, P.Q.; N. J. Dawes*, vice-pres., Montreal; W. J. Whitehead*, man. dir., Three Rivers; W. Taylor-Bailey*, Montreal; Hon. Lucien Moraud, Quebec, P.Q.; Wm. Harty, Kingston, Ont.; Hugh Mackay, Rothesay, N.B. Sec.-treas.—H. W. Capel. *Member executive committee.
*Year ended Apr. 27, Apr. 28.	*1945	1,350,000	1,296,563	408,571	330,384	336,657	...	...	4.82	...	...	4.00	57,045	2,605,989	65,784	
WOODS MANUFACTURING	1945	310,000	910,656	187,481	550,500	197,315	...	...	3.06	4.42	...	2.00	68,309	2,337,054	292,000	W. A. Eden, pres.; A. M. Irvine, vice-pres.; R. M. Stott, sec. & gen. mgr. bag div.; Montreal; S. E. Woods, gen. mgr. clothing & textile div., Ottawa; Harold Crabtree, R. W. Steele, F. R. Daniels, H. J. Humphrey; Montreal; Glyn Osler, Toronto. Treas. & controller—R. B. Moffit.
	1944	360,000	967,659	181,562	525,000	157,270	...	...	2.44	3.55	...	1.00	92,717	2,420,078	204,000	
WOOL COMBING CORP. OF CAN.	1945	......	253,531	20,776	164,848	67,907	...	...	1.36	1.82	...	1.00+0.50	▪7,093	200,212	35,500	Rt. Hon. Lord Barnby, pres., London, Eng.; Leslie Biggin, vice-pres.; K. L. Markon, gen. mgr. & treas.; W. H. Denton; Toronto; Harold Walter, Uxbridge, Mass. Sec.—D. A. McIntosh.
	1944	......	200,538	50,496	81,000	68,042	...	...	1.38	1.52	...	0.50	44,042	221,138	12,503	
YORK KNITTING MILLS	1945	1,150,000	450,676	120,587	104,055	178,884	†119.26	...	0.64	...	7.00	0.40	55,779	2,026,496	......	J. D. Woods, pres.; W. P. Walker, vice-pres. & gen. mgr.; H. H. Lawson, vice-pres.; W. B. Woods, H. M. Reedy, Ralph Presgrave; Toronto; K. W. Harvey, Woodstock, Ont. Sec.—J. S. Lewis.
†First pref. only.	1944	1,200,000	556,374	123,227	189,863	191,820	†127.88	...	0.70	...	7.00	0.40	68,715	2,020,580	......	

No Labor Problem in Knitted Goods But Yarn Shortage Still Bottleneck

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for the previous year. Retained net profit was $76,042 in 1945 as compared with $74,140 in 1944, and excluded $11,500 in 1945 and $16,969 in 1944 refundable portion excess profits tax.

Earnings a common share were 40c. excluding or 51c. including refundable EPT. This was based on net profit after deducting a full year's dividend on the new 7% and 5% preference stocks but without allowing for dividends paid on the old 7% preferred.

The capital structure was changed considerably in the past year. Capitalization outstanding now consists of $1 million 2½-4% debentures due Apr. 1, 1947—66, $300,000 5% preferred shares, par $100, and 102,000 no par value common shares. Earlier this year the outstanding 4% debentures and 7% preference stock were retired with the proceeds of the above-mentioned debenture issue.

Controlling interest is held by the Wellington Spinning Corp., a private company of which the Rt. Hon. Lord Barnby is president.

The initial common dividend of 15c. a share for the quarter ending Mar. 31, 1946, was paid on June 1, 1946, and 20c. a share has been declared payable Oct. 1, 1946.

J. R. Moodie

Knitted underwear and cotton yarns are the products of J. R. Moodie Co., Hamilton, Ont. Indicated capacity is 300 knitting machines and 400 sewing machines. Operations also include a spinning mill turning out high-grade hosiery yarn, counts 6 to 30. The company employs 450 workers.

Capital stock consists of 30,000 no par value common shares. Funded debt is composed of $320,000 6% first mortgage bonds, series A, due July 1, 1948. No financial statement is published by this company.

N. S. Textiles

Nova Scotia Textiles Co. of Windsor, N.S., produces a wide range of knitted goods of both cotton and woollen fabrics for men and women. In recent years, and in common with most companies producing similar products, operations are understood to have been restricted by labor shortages and difficulty in getting certain types of yarns.

Penmans Ltd.

Penmans Ltd. manufactures all kinds of woollen, cotton and silk knitted goods. Products include hosiery, underwear, sweaters,-knit sports coats, blankets, pulp and paper makers' felts and jackets. The company operates plants at Paris, Brantford, Waterford and London, Ont., and at Coaticook and St. Hyacinthe, Que. Watson Manufacturing Co. which operates the Brantford mill is wholly owned by Penmans.

Net 1945 earnings were $1,097,581 ($1,138,402 in 1944). Net profit was $335,414 ($396,262 in 1944). Earnings per share excluding refundable EPT were $31.20 on the preferred stock and $4.20 on the common in 1945. Including the refundable EPT earnings in 1945 were $36.78 on the preferred and $5.13 on the common ($43.09 and $6.18 respectively in 1944).

Outlook for the balance of 1946 is favorable as far as business on hand is concerned and sales for the first quarter were within 1.3% of those for the same period in 1945. An important factor in this year's earnings will be how well supplies of raw materials keep pace with consumer demands. In 1942 the company showed sales of $8,441,770 and gross income of $1,548,170. Gross income in 1945 was $1,128,905, (sales figures not available).

Regent Knitting

Regent Knitting Mills Ltd. manufactures woollen, worsted and knitted goods. The company operates spinning and dyeing plants and mills for manufacture of heavy woollen and worsted goods and fancy knitted goods at St. Jerome, Que. Control of the company was acquired by Grover Mills Ltd. of Montreal in 1944. Regent Knitting Mills develops its own waterpower at St. Jerome on the North River.

Net 1945 sales were up 14% to a new high; but the company was still unable to meet all demands for merchandise, the president's annual statement says. Net profit for 1945 after provision of $528,706 for income and excess profits tax, including refundable portion was $86,387 ($49,225 in 1944). Earnings per share based on net profit after total tax provision were $5.40 on the preferred and 94 cents on the common in 1945 ($3.08 and 36 cents respectively in 1944). Including refundable EPT, earnings in 1945 were $11.25 on the preferred stock and $2.38 on the common ($9.28 and $1.89 in 1944).

The company has launched a building program to provide housing for employees at St. Jerome. Plans call for 49 cottages to be built, completely modern with garage for each house. While these are primarily designed for renting, employees will be given the option of buying after a specified length of service with the company. Payments on houses will be spread over 20 or 25 years, the company carrying interest charges. About a dozen cottages have been built so far. A company official states that rentals are considerably lower than current prices on similar type dwellings elsewhere.

Regent Knitting mills was incorporated in 1928 to acquire a company of the same name incorporated in 1913. The business was established in 1907 and capital stock and mill of Regent Textiles Ltd., Guelph, Ont., were acquired by the old company. In 1918 the plant of Regent Spinners Ltd., St. Jerome was taken over.

York Knitting Mills

York Knitting Mills with head office in Toronto and plants in Toronto, Hamilton and Woodstock, is engaged in spinning cotton, woollen and worsted yarns and in manufacture of men's, women's and children's hosiery and underwear.

Plants operated at a high level of capacity during the war and, despite shortage in skilled help, a large part of this production rate has been maintained this year. Net profit for 1945 at $178,884 was down 7.2%. Sales this year, however, have shown a fractional increase over the corresponding period in 1945.

The company's subsidiary, Kroy Unshrinkable Wools Ltd. is now operating commercially, although hampered by lack of labor and material among its customers. Operations are planned later in the United States.

York Knitting Mills has taken controlling interest in a company being incorporated to produce fine-gauge ladies' hosiery in Ulster, Ireland. Production at first will be entirely for United Kingdom markets but later export, particularly to the continent, is planned. It will likely take two years to get this plant onto a reasonable production schedule, it is stated.

To finance expansion plans, the company has created a new bond issue of $2 millions first mortgage bonds. $400,000 2½% serial bonds due $50,000 each year from 1947 to 1954, $200,000 3% bonds due $50,000 from 1955 to 1958, and $1,400,000 3¼% bonds due 1971. Proceeds of the new issue were used for redemption of $1,200,000 outstanding 2½ to 4% first morgtage series A bonds, due 1947 to 1958 and 1964.

Extensive plans have been made for plant improvement and use of latest type of knitting and spinning machinery. Equipment in limited quantity is expected very soon and it is hoped total of such 1946 purchases will reach $500,000.

Present supply of wool and yarns is most difficult. The company, however, has taken all possible steps to maintain adequate stocks of raw materials, in both cotton and wool. These should permit uninterrupted operations, President J. Douglas Woods, stated in the annual report.

Another 18 months are likely to elapse before plastics researchers can develop a material suitable for use in manufacture of hosiery and which might help relieve the nylon shortage. Biggest problem confronting them, according to authorities, is that of finding a plastic thread with the strength and fineness needed to compete against nylon in quality and price.

Mixed Textile Group Has Weathered Problem of Production Conversion

(Continued from page 21)

rugs and carpets in its Toronto plant. Two subsidiaries, Barrymore Cloth Co. and Campbellford Cloth Co., produce woollens and worsted cloths as well as knitting and weaving yarns.

A financial statement is not issued by this company. Along with other companies engaged in this type of work, however, labor shortage has checked production. Currently, however, production has shown an increase, it is said.

Tip Top Tailors

Tip Top Tailors, Toronto, is engaged in manufacture and distribution of made-to-measure and ready-made men's clothing and women's tailored cloth coats. The company's products are distributed through its own stores numbering 49 as well as approximately 2,100 agencies across Canada.

Retained net profit was up 37.6% for 1945. A sizeable reduction in operating earnings was offset by lower income tax provision. $35,394.00 bond interest payment appeared for the first time as a result of the new 3¾% first mortgage bond issue. Working capital position at year end stood at $2,180,776—($1,908,181 in 1944).

During the year the company's standard profit had a substantial upward adjustment. Sales for the year were down slightly, due to continuing shortage of material. High demand for products expected to continue for several years.

The company will begin an expansion program as soon as conditions in the clothing business are a little more normal, Ben Dunkelman stated at a store managers' convention in February. In certain large centres new stores will be opened and several existing stores will be remodelled entirely where necessary, he said, adding that these stores "will be the absolute last word in modern merchandising design." The company plans to expand its present 36-year old policy of made-to-measure clothing for men and women by introducing ready-made seasonable merchandise such as slacks, sports jackets, raincoats and topcoats. The ladies' department will also be expanded.

During the year the company announced plans for building 500 low rental housing units through a private dividend corporation established by Tip Top Tailors for the benefit of its employees, and to accommodate 1,650 persons. The units will be built in the section of the city where dwellings are dilapidated and rentals will be less than are now paid for greatly inferior accommodation.

Verney Mills

Verney Mills of Canada, in business since 1924, manufactures a wide variety of fabrics, including drapery materials, furniture covers, corset materials consisting of lastex, plain and jacquard materials, suit fabrics, shoe cloth and rain wear. The company dyes a substantial portion of its output and finishes all its goods in its plant located at Granby, Quebec. Verney fabrics are well known throughout Canada and demand largely exceeds the present plant capacity. Before the war the company enjoyed a large export trade and it is planned to re-enter the export market as soon as conditions permit. Capitalization of the company consists of 5,000 shares of common stock issued, no par value, and 5,000,000 of 5% First Mortgage Bonds due Aug 1, 1959. The company is a wholly owned subsidiary of Verney Taunton Mills Inc., Taunton, Mass.

Waterproof Cottons British Discovery

It is now known that during World War II an epoch-making discovery was made by Britain's textile industry, namely the manufacture of cotton materials which are completely waterproof. At present it is hardly possible to assess the value of this discovery to the textile industries of the world. The new materials have made their first appearance at a fashion display in Manchester and have aroused great admiration amongst experts from all nations.

Bugbear of cotton growers and cotton industry in the States as a whole has long been over-production of short-staple cotton throughout the southern states. But a process has been found by which this grade of cotton fibre can be used in the manufacture of high quality fabrics which have hitherto required only the long-staple varieties. The finest percales and cotton clothes with silk-like texture will probably still require the long-staple product of the South.

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See New Tax Proposals Halting Mushroom Expansion of Co-ops

OTTAWA — Mushroom expansion of the big co-operatives at the expense of tax-paying private competitors and the federal treasury, should be halted by the new budget proposals, it is believed here. Through untaxed patronage dividends, co-operatives will still be able to return to members the big bulk of their profits, but from now on, these profits will have to be paid back promptly as earned. Previously, as a rule, they were merely allocated to members, but actually held by the co-operative for buying out competitors and for working capital. Now, to qualify for tax exemption, they must be paid to members within a few months of being earned.

Private companies in competitive business with the co-ops will have the same privilege, provided they announce publicly that they intend to follow the principle of paying patronage dividends or rebates to those whose business they handle.

Slow in Paying Profits

One of the main complaints of the sorely pressed private competitors of the co-operatives has been the enormous expansion of the latter through these untaxed and unpaid profits. While the great bulk of the private companies' profits were taken away in taxes, the untaxed co-ops enjoyed a tremendous double advantage. Not only were their profits exempt from taxation, but there was no hurry about returning them to members. Under an ingenious "revolving door" plan these profits were retained in the co-op treasury for varying periods up to seven years and usually at no interest. In the meantime they were under the control of the directors.

Finance Minister Ilsley's new budget proposals, it is believed here, will end this era of free and almost unlimited capital for the co-ops and will permit private competitors, if they wish, to meet the competition of paying untaxed patronage dividends to grain and other shippers.

Require "Reasonable Return"

For the private company shareholders, not to be confused with patrons or shippers who get the patronage dividends, there is also a little comfort in Mr. Ilsley's new proposals. Private companies have complained that payment of unlimited tax-free patronage dividends would allow a co-operative to return every bit of profit to shippers and if they were forced to meet this competition, there would be nothing left for the shareholders who subscribed the original capital. In other words, co-operatves could operate at no profit and private companies would have to do the same or lose all the business.

Mr. Ilsley now stipulates "that no company or association shall be able to go so far in its distribution of tax-free patronage dividends as to reduce its taxable income below a reasonable return on capital employed. This reasonable return will be defined as 3% on the capital employed, including borrowed capital employed, less the interest paid by the company or association on borrowed capital, that is allowed as an expense in the computation of the taxpayer's income. . ."

Cover Tax Dispute

Hence it will not be possible for a co-operative to pay out all profits in untaxed patronage dividends. An equivalent of 3% on capital presumably will be taxed the same as any disbursement, whether it goes to ordinary shareholders or patrons.

A special arrangement is made to cover the present tax dispute of the three western wheat pools with the Dominion treasury. Mr. Ilsley takes the stand that the pools realized after 1942 that they might be liable for income tax on patronage dividends paid or allocated. He proposes to let them off for 1942 and 1943, but to tax them for 1944 and 1945. After that, the new proposals regarding payments of patronage dividends will apply.

Except for brand new co-operatives which are to be given tax exemption for the first three years of existence, there is to be no distinction between co-operatives and any other business organization. The special tax exemption clause for co-operatives, section 4p, is to be repealed.

Race Horses to Cigars Tariff Changes Range

Ilsley Budget Reintroduces Many Duty Changes Jettisoned Last Autumn — Some Already in Force Via Order-in-Council

OTTAWA (Staff)—Shades of Rt. Hon. J. L. Ilsley's tariff tinkerings last year emerge when you scan the two-score tariff changes sought in the budget proposals introduced June 27.

More than a dozen of the new proposed changes are items which were introduced last October and then suddenly withdrawn when Mr. Ilsley got into political hot water over his Page Hersey tube item. Meanwhile, it is disclosed that a number of the tariff changes withdrawn suddenly by Mr. Ilsley last October, were subsequently passed by order-in-council. Thus many of the new proposed tariff amendments merely asks Parliament to ratify what is already in effect. Highlight explanation of the more important changes follows:

U. S. Race Horses owned by Canadians may now enter Canada under a nominal $12.50 tariff during the "season" instead of using the bonding system to avoid a 20% tariff which they would otherwise have to pay. This is by amending tariff item 4 to include "horses, n.o.p.".

Red-Top Grass Seed—a cheaper variety used in the west may now legally be brought in at net rate of 9%, without risk of being classed under the higher 30% intermediate tariff on bent grass seed. (item 72e). This amendment was proposed in 1945.

Frozen Vegetables is a new tariff item (90e) which enables canning firms to import frozen corn (for example) at rates of 10% for British preferential; 25% for intermediate and 30% for general. Formerly frozen vegetables had to come under the preserved vegetable item and pay an intermediate rate of 32½%. This item was proposed and withdrawn in 1945.

Cigars now come in at $3.50 a pound ad valorem instead of $3.90, to correspond with the reduction made in the excise duty and the placing of a flat 25% excise tax instead of the present graduated scale.

Malt Syrup or Syrup Powders is a new item carrying 20, 25 and 30% rates in the BP, intermediate and general tariffs. This arose out of a Tariff Board appeal and permits special nonfermented products for invalids, such as Dexin, made by Burroughs and Welcome, to come in at the new rate. These were formerly dutiable at 30% plus 5 cents a pound.

Engineers' Plans for plant Construction, etc. A new item to permit drawings, blueprints, etc. of machines and plant equipment, plant layouts to enter free from any country, provided they are not for "office or other buildings." The duty on plans of this type has been 20% from the United States. A case in point is said to be the new strip mill of Stelco at Hamilton. Plans for this mill cost the company some $51,000 to import.

Wet Laid Felts for manufacture of shoe lining material. The U. S. trade agreement put a tariff of 22½% on this item. By order-in-council since last November the rate has been cut to 10% (intermediate); free under B.P. and 25% general. The item was originally proposed in the 1945 budget. Dewey Almy Chemical Co. has built a Canadian plant for manufacture of shoe lining material in Canada. The new tariff rate is to enable this company (and others) to get raw material at a lower price.

Stencils for Duplicating Machines. This item (197d) is amended by deleting the words "made from mulberry pulp" in order to meet the new situation where other sources of supply are being developed. This item was proposed in 1945.

Pulp or Pulpboard Trays for packaging apples. This is a new item (199) to validate an order-in-council passed to permit this new product to enter at 7½% under intermediate; free under B.P. and 35% under general tariff.

Acrylonitrile, a chemical not made in Canada and used in flour mills to kill pests, is now to come in free under tariff item 219e. This item was proposed in 1945.

Paraffin Wax for Candles—a new item (272c) continuing an order-in-council passed last November to give relief to a dozen candle making firms in Montreal area who use this wax as raw material and whose product is sold in Canada under price ceiling conditions. The rate established is 12½% for intermediate; 10 for B.P. and 25% for general tariff. This item was proposed and withdrawn in 1945.

Glass Receptacles (for use in making salt and pepper shakers) are to come in free under intermediate tariff. The previous item permitted entry of glass articles such as dishes when brought in to be electroplated in Canada. Salt and peppers were not previously eligible.

This item was proposed and withdrawn in 1945, but at that time the suggested rate for entry from U. S. was 10%.

Glass Parts for use in making "Silex" coffee-makers, top-of-stove ware, etc are to come in free under 326k. The former U. S. tariff was 15%. Coffee-makers themselves are already coming in free under order-in-council since last November. This permits entry of parts which will be made up by plants such as Silex at St. Johns, Que., and eventually the new Corning Glass plant at Leaside. The item was originally proposed for Silex coffee-makers only, last October.

Noiseless Streetcar Trucks for use at Fort William in filling special order for new type cars for Toronto. An order-in-council passed at the first of the year, permitted these to come in under intermediate tariff at 10% instead of 30%. Delivery has been delayed due to strikes, etc. and the new tariff item extends the special rate. The item was proposed in the 1945 budget and withdrawn. (These were permitted entry duty-free some years ago. The 10% is probably considered a "bargaining item" in the event of a U. S.-Canada trade discussion.)

Auxiliary Driving Control Kits. These are made in the U. S. for Ford cars and to permit disabled persons to drive. Ford of Canada installs these free (when asked for) and absorbs the $100 cost. Formerly the duty was 25% or $25 on each "kit". Inclusion of this item under the item 438b, brings them in free.

Air Compressors for trackless trolleys. To come in free under 438b.

Fluid Drive Couplings for installation on Oldsmobile, Chryslers, etc. to come in free under 438c.

Transmission assemblies (hydraulic or fluid couplings) used in heavy duty trucks to come in free under 438d. This item was first introduced in 1945 and withdrawn.

Motor Truck Body Parts a new phrase added to item 438i to enable a new firm (Wilson Body Co. of Toronto) to do a special conversion job on standard chassis. This was introduced originally last year.

Tractor Tire materials to come in free when used in manufacture of certain farm implements. This has been covered already by order-in-council.

Electric Dry Shaving Machines. This item amended (445j) by permitting entry of "parts" as well as complete parts. This will permit Remington Rand to import steel balls duty free.

Metal Bathtub Stampings. This gives a 10% rate instead of 27½% (intermediate) to permit Moffats and Alliance of Vancouver to import these stampings. This has been already provided by order-in-council early this year.

Photographic Cameras and Equipment. The words "and complete Parts" are now added to 462a. This enables photographic stores, professional photographers, etc. to bring in complete parts free instead of at 7% BP; 25% intermediate and 30% general. This item was introduced last October and withdrawn.

News Picture Matrices. When used for news and nonadvertising purposes, these are to come in free instead of paying ½-cent per square inch.

Men's Hat Band Ribbons. These were imported free under a different item up to 1943. Now a new and reworded item (569d) permits a saving of 10 to 15 cents per band, through lifting of a duty which was 22½% for BP; 32½% intermediate and 35% general.

Travellers' Baggage. New wording to item 703 to ensure that any goods brought into Canada duty free under the $100 exemption clause for personal gifts, etc. shall also be entirely free from any excise, war exchange or other imposts.

Artificial Semen of animals for improvement of stock to come duty free.

Rough Dies for making nails, bolts, screws, rivets, nuts, tacks to come in free under BP; 10% under intermediate and 35% for general. This is to aid a former war plant in Hamilton which makes dies for cold heading machines.

Ultra-Violet Ray Lamps have been admitted free by order-in-council since 1941. But this would have expired with the Emergency powers unless continued under statute.

Wet Mash to come in free when used livestock, poultry feeds, etc. A rewording of item 847 widens what has already been allowed by order-in-council.

$13 Millions Of Exports Are Insured

Corporation Covers Business With 60 Countries —To Review Operations

OTTAWA (Staff) — Canada's Export Credits Insurance Corporation now has 55 customers and $13.5 millions of export sales volume on its books. This business covers 60 countries and applies to export business originating in all parts of Canada. Average premium rate, The Financial Post is informed, is under 1%.

Early in June operations of this corporation were under review by a new advisory council of outstanding Canadian business and export leaders.

Annual report of the corporation states there were, at the end of March, 45 customers whose export business was covered to an estimated export sales volume of about $12 millions. The ten additional customers and business have been added since that time.

All policies up to March 31 covered general commodities sold on short-term credits. Since March the corporation has issued some contracts covering capital goods sold on medium-term credit. Premiums on total business as at March 31 were $19,349. This was on shipments made and contracts entered into of $2.5 millions. The corporation's maximum liability was 85% (15% co-insurer clause). On the 45 policies outstanding at March 31, three were for an estimated sales volume of $1 million or more; 13 were between $100,000 and $250,000; 15 were between $25,000 and $100,000.

Of total credits outstanding $2.2 millions were for sales to the U. K.; $956,000 to B. W. I.; $2.2 millions to Brazil; $855,000 to U. S. A.; $520,000 to Mexico; $588,000 to Venezuela; $926,000 to South Africa. Total to British Empire—$5.5 millions.

Names of the new advisory council include: James S. Duncan, and James Stewart, Toronto; R. H. Davis, Welland; C. D. Jacox, Edmonton; George Robertson, Regina; J. A. Amyot, Quebec City; K. A. McLennan, H. R. MacMillan, R. B. Buckerfield, Vancouver; H. G. Hesler, C. H. G. Short, Montreal; Fletcher Smith, Halifax; Hector Authier, Amos, P.Q.; Homer Zwicker, Lunenburg.

International Paper Calls Additional Pfd.

International Paper Co.'s board of directors called for redemption at the opening of business Aug. 27, 1946, 250,000 shares of cumulative convertible 5% preferred stock at $105 and accrued dividends. This is the third call of the 5% preferred stock and raises to 550,000 shares the total amount called to date.

International Paper also extended until further notice the exchange offer by which 400,000 shares of new senior cumulative $4 preferred stock and 100,000 shares of common stock will be issued for 400,000 shares of 5% preferred stock. This exchange offer has been made for voluntary acceptance of 5% preferred stockholders and is additional to the present conversion right.

Each holder of 5% preferred stock now has the choice of three options: (a) exchange on the basis outlined above; (b) conversion into common on a 2½ for one basis; (c) retention of his stock with the continuing right to convert it into common until redeemed.

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Can Canada Be Insulated Against Inflation in U.S.?

THE QUESTION: Can we insulate ourselves against American inflation? If so, how? If not, why?

The Financial Post addressed this question to a number of economists, editors and others, before Ottawa's action last week end, in restoring Canadian-U. S. dollar parity. Many of the answers were also sent before that step was taken; hence some of them refer to something which is already a fait accompli. Answers follow.

P. C. ARMSTRONG, Economic Consultant, Montreal

It is impossible and undesirable to separate the Canadian economy from that of the United States; good or evil trends in that country must affect us here. The particular danger to which we are exposed at the moment is an inevitable result of confused thinking in Canada where, because our currency unit has the same name as that of the United States, we seem to feel that price and wage levels in Canada in dollars must follow those in the United States.

Up to July 5 we actually intensified this feeling, by paying a fixed premium on the United States dollar—for reasons which I have never been able to understand. The Government has taken a wise decision in removing this premium, but the further emergency measures which must be taken to prevent any serious inflationary conditions in the United States from upsetting our economy in Canada must be based upon a deliberate and courageous attempt to keep the exchange values of the Canadian and United States dollars related to their purchasing power in the two countries. Without this basic policy, the emergency measures to be taken in Canada will have to be too drastic and may even fail. We shall only be pulled at the tail of the United States kite if we insist on tying ourselves to it.

J. R. BURNETT, Editor & Managing Director, The Charlottetown Guardian.

As so many of our imports come from the United States our prices are bound to be affected by American inflation. The only way we could, in a measure, insulate ourselves, is by resorting to wartime control and making it airtight by importing through one central agency. We could then stabilize prices by our own exchange control through government subsidies which, of course, would have to be made good in the long run by increased taxation. Since artisans' wages have been advanced by union action, the salaries of white collar workers will have to follow suit.

• • •

G. G. BRAMHILL, Secretary, Chamber of Commerce, Simcoe.

The only answer I can give is, let the Government stick by its guns and resist all pressure groups. The average man will suffer severely by inflation in Canada. If Uncle Sam wants to commit hara-kiri, let him do it. We can surely keep our heads level.

• • •

J. T. BRYDEN, Assistant treasurer North American Life Assurance Co., Toronto.

It is extremely unlikely that we can insulate ourselves completely against American inflation. Our economy is very sensitive to changes south of the border and conditions there are quickly reflected here, although usually in a smaller degree. This is particularly true when it is a matter of price, since we normally import so many essentials from there. We may be able to mitigate its effect somewhat by the return of our dollar to parity and possibly moving even to a premium and also by limiting imports to essentials and extending consumer subsidies. These could only be temporary expedients to help to delay price increases here until American prices regain some semblance of stability, at which time I would think our price level would have to come to approximate parity.

• • •

W. L. CLARK, Editor, The Star, Windsor, Ont.

Canada and the United States are interlocked and this Dominion is always affected by what happens there. But Canada can guard against unbridled influence by using common sense and supporting the constructive moves that have been made and are being made by the Dominion Government to protect the people against ruin. A little austerity now can pay dividends in the not-so-distant future.

• • •

H. G. COLEBROOK, General Merchandise, Manager and Director, Robert Simpson Co., Toronto.

For a short time—yes; for a long time—no; for a matter of a few weeks, we can carry on under our own momentum, but the day will come inevitably when our manufacturers must go into that market for raw materials and/or parts, and then they will be faced with impossible costs to fit into their ceiling prices, or will have to discontinue manufacture.

• • •

HAROLD CRABTREE, President, Howard Smith Paper Mills Ltd., Montreal.

The measure of success we in Canada will have of avoiding American inflation will depend on the following factors:

1. Ability of Canadian industry to produce maximum output of much needed goods.
2. Maintenance of present wage levels and high productivity of labor.
3. Continuation of essential price controls, closely identified with the cost of living.
4. In the final analysis, it will depend on the good sense and realization of the Canadian people that this is an individual, as well as a national problem.

• • •

L. B. CALNAN, Editor and manager the Picton Gazette, Picton, Ont.

I doubt that we can fully insulate ourselves against American inflation for the reason that the same forces which are making the American development are in existence in the Canadian economy. Without some inflation in Canada, or at least moderation of price control, the effect of increased earnings of different sections of labor and other increased costs of production, will drive many out of business. Farmers and rural areas particularly, presently will see great hardships unless the prices of their products advance to keep step with higher costs of the items they need to buy.

• • •

C. B. DELBRIDGE, Publisher, News-Herald, Vancouver.

At best, we can only partly escape the ill effects of inflation in the United States. Their inflated prices are bound to exert tremendous pressure on our controls; but we would be unwise to permit anything but a gradual relaxation. Restoration of the Canadian dollar to parity with the U. S. dollar should help ease the pressure occasioned by an influx of inflated American money into this country. There is no point in bonusing such money, already inferior to our own in real value, to the extent of another 10%.

• • •

LT. COL. C. E. REYNOLDS, Chairman, Ontario Northland Transportation Commission, North Bay, Ont.

Inflationary tendencies in Canada, due to recent action in United States may be curbed by maintaining present price controls, especially on imported United States commodities. I do not favor increased subsidies to hold Canadian price levels. Subsidies are inflationary. In my opinion the best curb for inflation is increased production at present price levels.

• • •

N. R. WHITTAL, Ross, Whittal Ltd., Vancouver, B.C.

Inflation or dilution in the purchasing power of the unit of currency has, over a period of 300 years, always followed long wars and is the means by which debts incurred have been lightened, and nothing we can temporarily do in Canada can change this ultimate result. Spartan Canadian legislation can temporarily insulate us against American inflation but as friendly neighbors, dependent on each other for a vast amount of trade, the better policy for Canada to follow is to co-operate with the U. S. in arriving at a mutual basis of commodity and currency values, which later must be on a higher than present day basis.

More Lumber For Canadians

From Our Own Correspondent

VANCOUVER—Under a new arrangement between representatives of British Columbia's lumber industry and the Canadian Government, 50% of this province's lumber production will be disposed of in the domestic market.

Previously, only 35% was earmarked for Canada; an equal amount for the United Kingdom. The United Kingdom allotment will continue unchanged, but other Empire countries and the United States will be chiefly hit.

Loss of U. S. sales will not affect the industry so much, now that the dollar has been equalized between tthe two countries. Previously, the 10% premium provided British Columbia sawmills with their most [illegible]

PATON MANUFACTURING CO'S $750,000 first mortgage sinking fund 3½% bonds, series "A" have already been fully subscribed for, The Financial Post is informed. These are 20-year bonds, proceeds to be used to retire outstanding bonds aggregating $553,000, and for other corporate purposes. The bonds were priced at $104 and accrued interest yielding about 3.22%. Underwriting was done by Wood, Gundy & Co.

After giving effect to the subdivision of the preferred and common shares, approved by shareholders but subject to confirmation by supplementary letters patent, the capitalization of the company will consist of $750,000 in 3½% first mortgage bonds; 30,000 shares of 7% cumulative stock, $20 par value and 50,000 shares common, no par value.

Operating profit and other revenue for the year ended April 30, 1946, totalled $369,744 ($360,464 in 1945) against a wartime high of $740,588 in 1941. Interest charges on the new issue will be $26,250 annually.

INTERNATIONAL PAPER CO. announces that it has purchased the entire capital stock of Single Service Containers, Inc., formerly engaged in manufacture of paper milk containers at Philadelphia and Kalamazoo, Michigan. Single Service also provided other materials (paraffin wax, adhesive, and stitching wire) required to finish containers.

International Paper Co. is the major supplier to Single Service of the bleached kraft board used in fabricating containers. International will operate the plants with the present organization of Single Service Containers, Inc., along the lines followed in the past. It will continue to supply present customers of Single Service Containers, Inc., President John H. Hinman of International Paper Co. announced.

HOMER YELLOWKNIFE MINES reports two parties working on detailed geological mapping under direction of General Engineering Co. (Canada). Consulting engineers have recommended further diamond drilling on completion of mapping.

QUEBEC CITY sold last week $1,955,600 of 1½-2-2¼-2¾% serial bonds to a syndicate headed by Savard, Hodgson & Co. at a net cost of 2.73%, a record low cost. The price paid by the syndicate was 98.92. The issue includes $147,600 of 1½% serial two years, $238,700 of 2% serial three to five years, $448,000 of 2½% serial six to ten years and $1,121,300 of 2¾% serial 11 to 20 years. The issue dated July 1, 1946, was incurred to pay for various municipal works and is not redeemable before maturity.

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GENERAL STEEL WARES LIMITED
Montreal, Toronto, London, Winnipeg, Calgary, Vancouver
INSTITUTIONS

from ocean to ocean

above: *St. Michael's Hospital, Toronto, Ont. Architects: Hynes & Watson, Toronto. Roofer: A. Matthews, Limited.*
left: *Penmans Limited, Paris, Ontario. Roofer: Galt Roofing Company.*

ONTARIO ADDS MORE EVIDENCE
BARRETT ROOFS OUTLAST THEIR BOND

Quebec, Western Canada and now Ontario . . . gradually the overwhelming weight of evidence is assembled . . . "There is no Equal to a Barrett SPECIFICATION* Roof."

Reproduced above are photographs of two of the first buildings in Ontario to be protected by Barrett 20-year Bonded SPECIFICATION Roofs—St. Michael's Hospital, Toronto, and the first of many units of the plant of Penmans Limited, Paris, Ont., to be Barrett roofed.

Although the bonds of both these buildings have long expired, letters from both owners testify that the roofs are still in excellent condition and good for many more years of service, although not one dollar has been spent for maintenance or repairs since the roofs were applied.

It is records such as this . . . unequalled in Canada . . . which have built and maintained confidence in Barrett SPECIFICATION Roofs among Architects, Engineers and Building owners throughout Canada.

The secret lies in Barrett "know-how" . . . the quality of Barrett materials . . . the reliability of Barrett specifications and the workmanship of Barrett Approved Roofers.

For roofing satisfaction insist on Barrett SPECIFICATION Materials, a Barrett Approved Roofer and a Barrett Bond.

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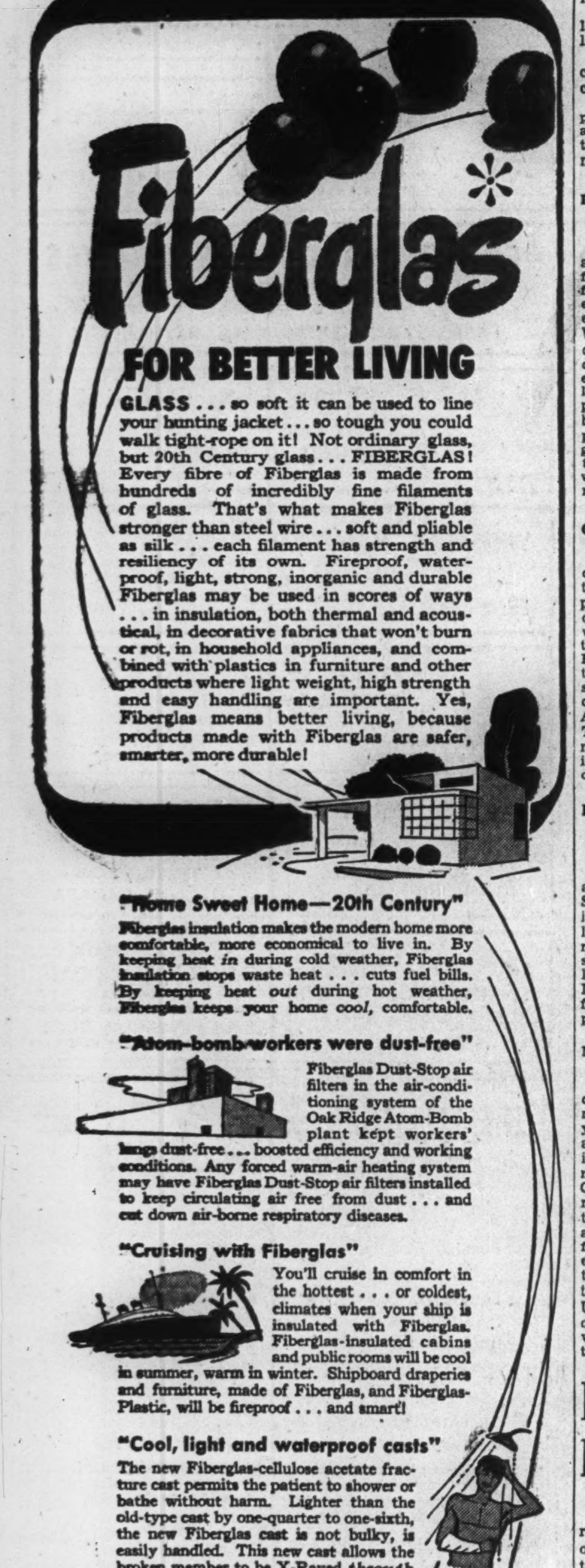
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"Home Sweet Home—20th Century"

Fiberglas insulation makes the modern home more comfortable, more economical to live in. By keeping heat *in* during cold weather, Fiberglas insulation stops waste heat . . . cuts fuel bills. By keeping heat *out* during hot weather, Fiberglas keeps your home *cool*, comfortable.

"Atom-bomb workers were dust-free"

Fiberglas Dust-Stop air filters in the air-conditioning system of the Oak Ridge Atom-Bomb plant kept workers' lungs dust-free . . . boosted efficiency and working conditions. Any forced warm-air heating system may have Fiberglas Dust-Stop air filters installed to keep circulating air free from dust . . . and cut down air-borne respiratory diseases.

"Cruising with Fiberglas"

You'll cruise in comfort in the hottest . . . or coldest, climates when your ship is insulated with Fiberglas. Fiberglas-insulated cabins and public rooms will be cool in summer, warm in winter. Shipboard draperies and furniture, made of Fiberglas, and Fiberglas-Plastic, will be fireproof . . . and smart!

"Cool, light and waterproof casts"

The new Fiberglas-cellulose acetate fracture cast permits the patient to shower or bathe without harm. Lighter than the old-type cast by one-quarter to one-sixth, the new Fiberglas cast is not bulky, is easily handled. This new cast allows the broken member to be X-Rayed *through* the cast . . . an advantage over the old-type cast which was radio-opaque.

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CIGARETTE

Wishart Spence Enforces WPTB

"To enforce the regulations of the Board with sanity and with realism, but not without mercy" goes Wishart F. Spence, Toronto barrister, to head up the WPTB enforcement branch at Ottawa. Big, hearty "Wish" Spence left his post as deputy rentals administrator at Toronto last week, and spent the holiday enroute to the capital. He is taking over this week from Acting Enforcement Administrator Harry D. Enger, K.C., whose full-time attention will henceforth go into his office as senior counsel for the WPTB legal branch.

William L. A. Poke, present deputy administrator of rentals working in the Maritimes and Quebec, is mentioned as a probable replacement for Spence in Ontario, operating out of Toronto; but no appointment has been made officially. The area covered from the Toronto office is also being considered for revision, The Financial Post is informed

To his new job Spence is expected to bring an understanding of "the increasing irksomeness of continuing restrictions in the days of peace." At the same time he is convinced of the necessity for enforcing such regulations as are considered still essential to a protection of Canada's economy.

The new enforcement administrator was a gold medalist in his graduating year from Osgoode Hall, Toronto, in 1928, and did postgraduate work the following year at Harvard Law School. He entered law practice in Toronto with his father's firm, and is now a partner in the firm, Spence, Shoemaker, and Spence. Since 1942 he has been with WPTB rentals administration, carrying on also as a part-time lecturer in the law of bankruptcy at Osgoode Hall.

MURPHY PAINT CO. have had admitted to the Montreal Stock Exchange 34,400 additional shares of common stock as at the opening of exchange business on July 5, 1946, according to a Montreal Stock Exchange announcement.

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So, too, New York Life's "Planned Security" is more than just life insurance. It is a program of life insurance designed to meet your protection requirements for your family and yourself.

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Excise Taxes To Remain At 'Prohibitory' Level

Here's What You'll Pay Ottawa for the Privilege of Buying Goods Labelled as Luxuries in Wartime — Revenues Should Increase

OTTAWA (Staff)—One contentious omission from Rt. Hon. J. L. Ilsley's recent budget speech was his avoidance of any tax changes in the wide range of excise duties now being collected by the Federal Government. Many of these were avowed to be when originally introduced purely wartime measures; some are considered a direct encroachment on provincial territory. Rates range as high as 35%.

Here is a tabulation of some 39 individual excise taxes now being levied by Ottawa showing approximately current rates and amounts collected from these taxes in the past two fiscal years. Some of these taxes were wartime "prohibitory" taxes imposed when the Government wanted to curtail "luxury" spending. Under "normal" conditions of supply and demand such as may be expected to prevail in the latter part of 1946-47, some of these taxes would yield very greatly increased revenue to Ottawa.

Details (including some figures on nine excise duties) follow:

Revenue from Canada's Excise Taxes and Duties

(A) EXCISE TAXES	Current Rate	Revenue Collected ($)	
		1945-46	1944-45
Bets on horse racing	5%	2,187,969	1,904,094
Cables, telegraph and telephone messages	7c on telegrams, 15c on long distance 25c on telephone extensions	5,834,933	5,086,623
Transportation tickets, seats, berths, and other sleeping accommodation	15% on berths, tickets 15c on parlor car seats	21,058,458	19,118,855
Cheques, money and express orders, notes, etc.*	3c up to $100; 6c over $100	14,813,622	12,967,653
Stock transfers* (paid through exchanges)	Sliding scale for stocks; 3c per $100 for bonds	952,683	424,397
Matches*	1c per 100 matches	3,301,576	2,986,754
Cigarette papers & tubes*	8c per 100 leaves	4,645,374	6,657,857
Furs	10%	4,976,132	5,217,094
Automobiles	10%	953,018	326,092
Toilet preparations, perfumes, etc.	25%	6,708,434	5,983,831
Toilet soaps	5%	398,840	363,003
Lighters	25%	372,846	130,039
Cameras, films, projectors, etc.	10%	262,227	477,847
Radios, phonographs, record players	10%	645,649	1,111,859
Electrical and gas stove and household and beauty parlor appliances		1,272,115	4,056,842
Vending and slot machines	25%	74,071	85,151
Soft drinks (two taxes—ad valorem and specific)		13,657,176	19,441,671
Candy and confectionery (two taxes—ad valorem and specific)		10,771,761	11,666,910
Trunks, suitcases, purses, bags, etc.	35%	4,710,810	4,134,018
Tobacco, pipes, and smokers' accessories	35%	1,092,425	470,880
Fountain pens, propelling pencils & desk accessories	35%	1,321,633	1,032,511
Tax on chewing gum	30%	1,131,904	1,207,371
Cigars	25%	1,608,018	1,525,778
Cigarettes	2c for each 5 cigarettes	58,118,894	49,921,588
Manufactured tobacco	2c per ounce	10,325,942	10,660,567
Canadian raw leaf tobacco	½c per ounce	175,546	198,588
Sugar, glucose, etc.	1c a pound	9,974,439	11,743,786
Tires and tubes	5c a pound	5,747,686	6,154,369
Carbonic acid gas	50c a pound	285,420	255,492
Gasoline	3c a gal.	29,836,191	29,670,692
Playing cards*	20c a pack	775,410	655,290
Wines	50c a gallon; $2.50 a gal. on champagne	2,066,109	1,772,375
Sales (sales tax)†	8%	326,252,799	404,108,503
Special excise tax	3%	787,464	544,729
War Exchange tax	10%	41,198,213	98,164,426
Tax on amusements	20%	13,387,341	12,283,988
Tax on entertainments*	25%	......	......
Retail purchase tax*‡ (Some jewellers pay this in cash)	25%	6,883,130	5,328,035
		611,566,258	737,839,558
(B) EXCISE DUTIES			
		1945-46	1944-45
Spirits, matured		44,938,201	39,379,837
Spirits, unmatured		2,828,298	2,196,939
Malt		41,382,052	35,121,290
Beer		6,646,438	7,102,636
Malt syrup		177,152	244,265
Cigars	$1 per 1,000	632,743	603,483
Cigarettes		87,068,807	72,083,145
Manufactured tobacco		10,089,797	9,961,533
Canadian raw leaf		436,743	493,909
		194,200,231	157,187,037

†Gross amount.

‡Applies to clocks and watches, imitation jewellery, semi-precious stones, display china and pottery, glassware, etc.

*Taxes thus marked are wholly or partly paid by excise stamps and segregation of the amount they yield is not possible.

Reconversion Task Easy B. C. Manufacturers Find

From Our Own Correspondent

VANCOUVER — British Columbia's manufacturing industry continues to make long strides in the export field. The manner in which some secondary producers, stimulated by wartime demand, have been able to weather reconversion problems, is one of the most hopeful features of the province's economic situation.

Several important orders have been received by Vancouver manufacturers in recent weeks from foreign countries; and their continuing success in this field will depend mainly on availability of materials, key parts and skilled labor.

Hayes Manufacturing Co., which is already building truck bodies for the logging industry not only in British Columbia but in eastern Canada and Newfoundland, has been offered an $8 million order for electric trolley coach bodies (it is understood the order is from South America). Plans call for a production of 10 complete chassis daily, including engines, beginning early in 1947.

Vivian Engine Works, which built Diesel engines for several countries during the war, is now negotiating with France for a large number of engines. This company has just shipped eight Diesel generators to China, and other customers are in Mexico, Argentina, Chile, Peru, Colombia, Venezuela, Australia and New Zealand, with enquiries coming in from several other countries.

One of the first companies to swing into peacetime production with a new product is the special products division of Vancouver Engineering Works, which has announced plans for large-scale output of electric toasters, some to be shipped to South America. This company concentrated on the manufacture of precision instruments during the war.

Canadian Mixermobile Co., another Vancouver organization which did a big war business, was recently hit by cancellation of a Russian order for road-building equipment, but has started shipments to Mexico. The company has received enquiries from South America and Singapore as well as European countries.

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Status of American Co-ops Can't Be Tested Till 1947

Special Correspondence

WASHINGTON—There is now no possibility of Congressional hearings on the tax status of co-operatives before 1947. From high official sources The Financial Post is informed that tax experts in Congress and in the Treasury Department have abandoned hopes for such an enquiry this year.

Reason given is the tardiness of legislators in respect to more pressing domestic issues, as well as the imminence of adjournment. It is a foregone conclusion here that Congress will recess before July 25. Earlier, the House Committee on Ways and Means had planned large-scale hearings on the co-operative question, particularly as to exemption qualifications.

Election a Barrier

It was understood these hearings might take three or four months; for the co-operative problem here, as in Canada, has assumed grave proportions, Congressional leaders believe. Hope was held in some quarters that hearings might be held during the recess period; but many Committee members are concerned with the coming November Congressional election, and could not, as a result, spend the summer in Washington.

When the hearings finally get under way, a document prepared by another Congressional group is expected to play a major part. The House Committee on Small Business, has made a study in which it proposes that co-operatives be required to disclose fuller information on their financial structure, particularly on exemptions. The study, otherwise gives co-operatives a clean bill of health and extends no support to those who have sought to curb this form of business enterprise.

Exemptions Questioned

The Committee asks the Treasury Department to determine whether a co-operative is entitled to, and is complying with, exemption qualifications and restrictions. This would involve showing in detail the amount of member and non-member business, the amount and allocation of reserves, the manner in which patrons' equity and capital is evidenced, and other data.

The committee's study has been sharply attacked by individual members of Congress and by private tax organizations. A large number of opposing organizations have gathered arguments to submit to Congress that serious restrictions should be attached to co-operative enterprise.

CANADIAN PACIFIC RAILWAY's gross earnings for the first half of 1946 are down approximately 10% from 1945 according to traffic receipts made available recently by the company. Traffic receipts for the period through June 30, 1946 totalled $139.5 millions, down $15.3 millions or 9.8% from 1945. Receipts for the final nine days of June were off 18.4%, with June receipts being off 17.5%.

C. F. W. BURNS
who has been elected a Director of The Crown Life Insurance Company.

PENSIONS
FOR YOUR EMPLOYEES

A sign of the times, and contributing much to social progress, is the increasing number of Pension Plans which are being established by employers to provide retirement income for their employees.

The various forms of Pension Plans available and the different degrees of control, flexibility and benefit which each affords, make it difficult to choose the most suitable Plan, without careful study.

Our experience in the field of Pension Trusts extends over many years and embraces the planning and administration of a number of such Trusts, including the operation of a very flexible and economical type of Pension Fund for our own employees.

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Offices across Canada from Coast to Coast

GRANDE CHIBOUGAMAU MINES, holding 11 separate groups of claims in the central section of the Chibougamau camp, is concentrating development on Nos. 3 and 4 groups in Scott twp. Diamond drilling equipment has been secured in anticipation of starting work.

If You Are
a No.1 Citizen
You will look after
No. 1 . . .

THIS is not selfishness, but the realization that a community is no better, no sounder than its citizens.

The welfare of our community — Canada — depends not alone on those charged with the government of the country, but on each of its citizens — 12,000,000 strong.

Today, that welfare is menaced by the danger of inflation. Already, millions in lands devastated by war suffer misery because of it.

Inflation, to the citizen, means simply less and less value for his dollar . . . his living costs soar as free and careless spending drives up the price of goods still in short supply.

War always brings the threat of inflation in its wake . . . only the prudence of the people can keep it in check.

• • •

How? Mainly, by conservation . . . by buying only those goods which are in fair supply, and by saving money for the day when goods now in short supply will be readily available.

This helps to keep prices steady — to keep your dollar at its real worth.

This means that, if you are a No. 1 citizen, you will rigidly avoid black market purchases and you will save money by

- building up your savings account;
- keeping up your insurance;
- buying Government bonds and War Savings Certificates;
- holding whatever of these securities you have bought.

This is conservation — the first requisite for personal security — the first attribute of good citizenship.

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CHESKIRK MINES reports completion of drill holes 25, 26, 27 and 28 on property adjoining Osisko Lake Gold Mines. Three holes were drilled west of diabase dike to further explore gold-bearing zones located previously. No. 27, sited east of the dike, cut two faults which indicate a shear zone upon which drilling is continuing.

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Like all Scott-Paine craft the "Sea Beaver" is superbly constructed, strong, speedy and completely seaworthy. This new boat is built for work. It carries big loads in its roomy cockpit; it has a remarkable towing capacity; it's extremely maneuverable — and has a speed of over 20 m.p.h.

No job is too tough for this waterwise, busy craft; when you put the "Sea Beaver" to work you're assured of first-class service with low operating and maintenance cost. Find out how this sturdy 24-footer can help you; send for Catalogue "A" for full information.

Private owners can secure the same unique hull and performance in the "Sea Beaver" Marine Station Wagon, a trim launch with windscreen, canopy, cushioned seats and mahogany trimmings. Details in Catalogue "A".

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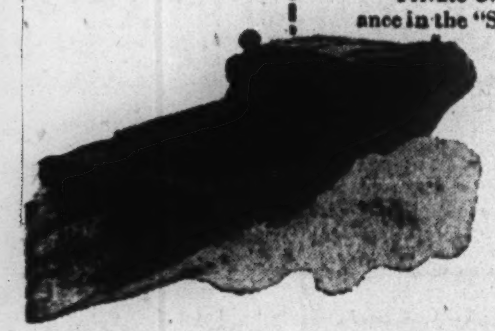

MINING INVESTMENTS

Nickel, Copper and Lead Hit by Exchange Parity

While gold mines will possibly be the hardest hit in the mining industry by return of the Canadian dollar to par, producers of nickel, copper, lead and zinc as well as of platinum and silver, will also be affected.

The only difference is that producers of these other minerals have a much more immediate hope of passing along the "loss" to the consumer. Base metals and silver have been experiencing a "bull market" throughout the world in recent months. It appears that in the period of a year, effect of the change in exchange rates may not prove too severe. Certainly if the base metal mines could secure an adequate supply of skilled and willing labor, the problem would be not too severe. The proportion of Canadian base metals consumed at home has shown a marked rise and the base metal producers will still receive the same price for these. However, these particular base metal prices are the lowest in the world today. And producers are still hoping for some adjustment in these domestic metal prices.

• • •

New Mines to Cost More

How much more will it cost to place new gold mines in production than before the war?

Supply costs are up a minimum of 10%. It is perhaps significant that suppliers are now taking orders "pptd" (price prevailing at time of delivery).

But the experience of one big gold mine illustrates that the increase in costs of placing new gold mines in production may be considerably greater than this would indicate. Back in 1943, the management of this big Porcupine producer had an estimate prepared on the cost of installing a new crushing plant. Cost at that time would have been $150,000. Within recent weeks the management has had a further estimate prepared based on existing prices. Cost today would be $200,000—a third more than just three years ago.

Fortunately for our new golds, raising of capital is much simpler than in pre-war days.

• • •

Absenteeism a Problem

Absenteeism is still a major problem in northern Ontario mining camps. It is a major factor holding down efficiency and its effect often extends much further than might be thought.

A general manager of one of the "big three" Porcupine mines last week afforded The Financial Post an opportunity to go over his figures on absenteeism and some of the conclusions that had been reached.

Absenteeism, it was found, was resulting in an 18% loss in time worked. And this figure makes no allowance for sickness, holidays, or other legitimate reason for being absent.

One of the most surprising results of an analysis of the situation was discovery that it was not the poorest workers but the leaders or best workers who were absentees. The fact that these particular men—who can perhaps earn as much as others, even taking a day off—have been the absentees, has played havoc with production schedules.

At this mine, a certain stope may be scheduled for a 300-ton output from its 500-ft. unit length on a given Saturday. A day or two before, the "leaders" may decide to take the day off and may suggest to the balance of the crew that Saturday may well be spent on repairs or fixing up. Thus little or no production will be secured from the stope.

Why doesn't the "leader" want to put in a full work week? An informant blamed income tax.

• • •

Housing Incidents

All the "incidents" arising from a critical housing shortage aren't occurring in the industrial sections of Canada—by no means. In one recent case in Kirkland Lake the landlord—or rather the landlady—was beaten up. The individual in question had "borrowed" the apartment from the tenant for the night and proceeded to throw a party. The landlady was given a "going over" when she tried to notify police.

In another episode, tenants complained that an irate landlord had poured water on two small girls in an effort to get them off his back step. Throwing of tin cans was also charged.

OIL PRODUCTION

Bata & Partners to Test E. of New Provost Find

From Our Own Correspondent

CALGARY — Bata Petroleums, Vera Oilfields (both active operators in Saskatchewan gas and oil exploration) and Superior Oils (a recently organized Alberta independent) have joined forces for development of a 250,000-acre reservation block on the Saskatchewan side of the line opposite the Imperial Oil discovery at Provost, East-Central Alberta.

The team's initial well, Bata-Provost No. 1, has been staked in L.S.D. 4 5-35-28w3, by geologist J. O. G. Sanderson. Drilling contractor General Petroleums is now moving in rotary equipment from the Unity area, and was expected to commence drilling by July 10.

The well-site is just over a mile east of the Alberta-Saskatchewan boundary, and around 22 miles southeast of the Imperial-Provost No. 1 gas discovery well from the Viking sand (around 2,375 ft.) and oil discovery well from a sand at the Lower Cretaceous contact (at 2,534 to 2,549 ft.). In Dr. Sanderson's opinion, the site is comparable in relation to structure to the Imperial-Provost. Objectives are the sands found productive at Provost. Unlike gas-rich Alberta, Saskatchewan is relatively gas-hungry (less than 1% of population served with natural gas). Hence, a gas strike at Bata-Provost might rate in importance with an oil discovery.

Backers of the well acquire half the acreage in the 250,000-acre block, checkerboarded in sections over the reservation. The area involved is in Twps. 35 to 37 Rges. 26 to 29w3, Twps. 32 to 34 Rges. 28 & 29w3, and the west portion of Twp. 34 Rge. 27w3.

The Bata-Vera-Superior program is the latest in a string of developments in East Central Alberta and West Central Saskatchewan.

• • •

Imperial Follows Up Find

Imperial-Provost No. 1 L.S.D. 3 27-37-3w4, focused attention on the area a month ago when it drillstem tested natural gas in the Viking Sand at 1,500 Mcf daily, at a site over 60 miles southeast of the huge Viking sand gas reserve in the Viking-Kinsella area. Continuing on, the well found an oil and gas bearing sand at the Lower Cretaceous contact, was halted at 2,549 ft., set casing to this sand, and was placed on production. It is currently flowing about 30 bbls. daily of 20-21 API gravity oil, against light back pressure. The first follow-up well is now being started by Imperial a mile north and half a mile west of the discovery. What the prospects are for Lower Cretaceous sands below the contact and for the Devonian—originally slated for testing at Imperial-Provost No. 1—have yet to be determined.

Following up the discovery, Imperial Oil has added to its large Provost area holdings, west and southwest of the well. A number of independents also moved into the play. Superior Oils acquired 20,000 acres in the township immediately south of the discovery, has Geologist J. O. G. Sanderson in the field making a study preliminary to development. Commoil, Turner Valley producing company, acquired 58,880 acres tying on to the south of the Imperial and Superior holdings, and extending over to the Saskatchewan border adjacent to the Bata-Provost well-site.

• • •

Bata Extending Work

Some 50 miles northeast of the Imperial-Provost strike, in central western Saskatchewan Bata Petroleums, Verbata Gas & Oils and Vera Oilfields have developed a natural gas reserve (in the Vera-Unity area). Gas sources are the Viking sand and the Unity sand (the latter a sand in the Basal Lower Cretaceous).

On July 2, Bata Petroleums commenced the first geophysical examination in this area, contractor Brown Geophysical Co. of Texas working outward from the Vera-Unity gasfield on a Gravitymeter survey to cover some 185,000 acres. This work is under direction of Bata's geologist, Dr. J. O. G. Sanderson.

Some 50 miles north and west of the Imperial-Provost, and between the Wainwright and Vermilion Low Cretaceous sand oilfields, independent Baxter Lake Oils is drilling initial test on a structural picture outlined by Geologist J. S. Irwin. The well, in L.S.D. 12 20-46-5w4, is now coring below 1,951 ft., heading for the Lower Cretaceous sands productive at Wainwright and Vermilion. Lower Cretaceous contact sand was entered at 1,941 ft., was drillstem tested July 5. It showed a little oil and gas, no water.

The California-Standard Co., No. 1 oil producer on the south Alberta plains, moved into the central plains this month. Its subsidiary, Caloil Corp., acquired a crown reservation on 142,400 acres adjoining the Baxter Lake Oils' block on the east and south, and extending over to the Saskatchewan boundary.

RICENOR GOLD MINES has received delivery of a heavy-duty drill with capacity of 1,500 ft. and is now ready to commence active drilling. Detailed prospecting and mapping have been under way on No. 2 group of claims where previous random sampling is reported to have given values up to 0.56 oz.

Metal Hydrides Recognized For Work on Atomic Energy

Metal Hydrides Inc., 74.75% controlled by Ventures Ltd., was directly engaged in the development of the atomic bomb under direction of the Manhattan Engineering District Corps of Engineers, U. S. Army. The company has since been presented with an award for "Chemical Engineering Achievement" by a committee of 50 scientists not connected with either commercial companies or with the Government.

Metal Hydrides, it is reported, was the first company to produce uranium in commercial quantities in the United States or Canada and the first company to make the metal available to American scientists at a reasonable price. Initial samples provided contained 99% pure uranium. Up until Dec. 1, 1942, the company had supplied the Chicago Metallurgical Laboratory, where fundamental experiments were conducted, with the largest part of uranium needed by U. S. scientists.

On Dec. 2, 1942, President Dr. P. P. Alexander states, the first "chain-reaching pile" was completed in Chicago and put into operation. On that day, man, for the first time in history, became master of atomic energy.

Vinray Malartic Gets Showings in 3 Holes

Vinray Malartic Mines has intersected gold showings in latest three of four holes drilled in test of diorite formations between holes V 16 and V 24, a distance of some 600 ft. to the east. Two drills are being utilized.

Hole V 27, drilled 100 ft. east and 90 ft. north of V 16, was bottomed at 424 ft. after cutting a 1-ft. section assaying $3.85, 7.3 ft. assaying $2.19 and a 3.3 ft. of $3.85. Hole V 28, collared 50 ft. west and 50 ft. north of V 24, holed out at 682 ft. Assays have yet to be released.

Hole V 29 was drilled 50 ft. east of V 27 and terminated at 370 ft. A 4.2-ft. section gave $49.28 at 161 ft., a 2.2-ft. section averaged $3.85 at 212.8 ft. and a 4.5-ft. section ran $3.08 at 313.5 ft. Hole V 30 was drilled 50 ft. east and 20 ft. south of V 29 with a 5-ft. section assaying $2.31, a 5.-ft. section averaging $1.54 and a 3.9-ft. section grading $8.47.

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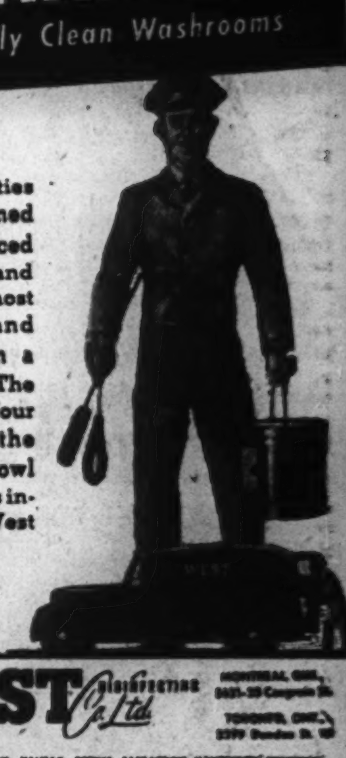
TUNGOLD MINES says that initial hole in new deep drill test has been started on Herb-Snow Lake, Man., property. A series of holes to 1,000 ft. will be carried out to check at depth a wide structure indicated on surface and by 77 shallow holes put down in past three years.



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$35 Gold Hits Marginal Mines Most Taxes Will Act as Cushion for Many

By GORDON M. GRANT

A definite reduction in earning power is indicated for the Canadian gold mining industry as a result of return of the Canadian dollar to parity—and consequent reduction in the price of gold from $38.50 to $35 an ounce.

The effect of a $35 gold price on 1945 profits of Canadian gold mines is shown in an accompanying table. Many profitable mines would have found their earnings reduced anywhere from 20% to 40% or more.

Many new developing gold mines had been counting on securing the premium exchange and diminished possibilities of profits will unquestionably lead to reduction in development programs in certain directions, it is believed.

Nearly Score "In Red"

Nearly a score of producing Canadian gold mines will be "in the red" with gold at $35 an ounce. However, a considerable number of producers have been concentrating on development for the last year or more—had not been trying to show profits—and it is possible that they may be able to make a better showing than is suggested by the table. Several mines not producing in 1945 have been omitted.

Profits would have been a little higher generally in the tabulation if the $35 gold price had been in effect during 1945. That is because mine managements would undoubtedly not have milled certain "ore" which would have shown a loss at $35 gold.

Actual reduction in the amount received for gold by producing mines will be 9.1%. That is the equivalent of a 10% "extra" or premium. Allowing for the fact that gold mines have been paying 40% of profits in taxes (less 33 1/3% depletion), cost of reduction in the price of gold to those gold mines whose profits are greater than 9.1% of the value of output is only 6.67% of the value of output. Less profitable mines share some benefits too from the cushioning effect of reduced taxes. But mines just breaking even and losing money will be hit harder.

Mining conditions at the individual mine will play an important part in determining how $35 gold will work out in practice. The mine which can take out ore selectively and can leave lower grade sections behind will be at a definite advantage over another mine which must take out the low grade along with the high grade irrespective of whether all material will show a profit.

In assessing the effect of operation of gold mines on the basis of $35 gold, it is important to remember that during the shortage of labor, a number of mines found it necessary to draw and treat much lower grade ore from more readily accessible spots. If, with an improved manpower labor supply available, a better control over grade of ore delivered to the mill can be secured, then the possibility of profitable operation may be improved despite the lower price for gold at numerous properties.

Profit Margin The Key

It is the margin of profit realized rather than the average grade of ore treated which determines the mines hardest hit by reduction in price of gold. Canadian Malartic, for instance, treating a low grade ore, would only have its profits sliced by about a third. A high grade mine, such as Cochenour-Willans, would find its loss nearly doubled. Cochenour, of course, has been concentrating on development with future expansion in mind.

The year 1945 was by no means a representative one for Canadian gold mines. Operating far below capacity, unit costs tended to be high. This was true of almost every Canadian gold producer. With a higher production rate than was possible in 1945, the mines unquestionably, under ordinary conditions, could make a better showing.

New Factors Enter

But while the golds can still look forward to improved results through utilization of full capacity—or even expanded capacity—there are new uncertainties coinciding with the lower price for gold which makes the future anything but clear. Supply costs are up about 11%. Construction costs are up as much as a third. CIO wage demands strive to boost labor costs to unparalleled heights.

Hope has been expressed that the mines will be conceded the asked for 50% depletion allowance recommended by the Senate Committee on Natural Resources. This would assist the producer which is operating at a profit. But it will be of no use whatever, it appears, to the marginal mine or the mine now operating at a loss—or the mine forced into this category by a return of $35 gold.

Tonnage of ore thrown into "waste rock" category by change in the price of gold is unquestionably substantial. From the standpoint of society as well as the mining company, it is unfortunate that low grade which isn't taken out with the high grade can't usually be mined at a later date when conditions may be better, mining men say.

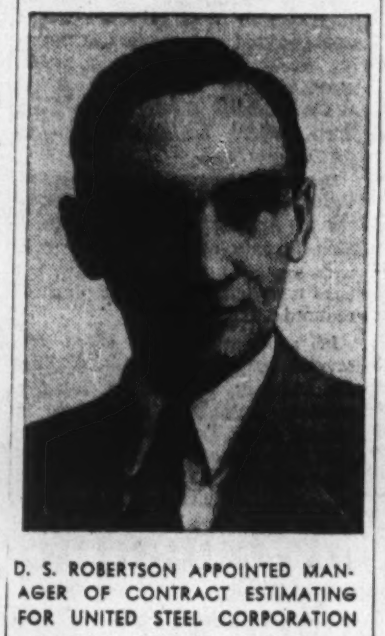
Bulk of the gold mines will likely be able to continue producing at $35 gold. But some mines may prefer to close down for the time being rather than to use up valuable ore reserves without anything to show in the way of profit. Since the increase in the price of gold, mine managements have been stressing more than ever, physical impossibility of meeting demands of labor and of continuing economic production of gold through the industry as a whole. If the CIO persists in its demands to the point of a strike as in British Columbia, an even greater disposition on the part of management to close down to await more propitious conditions of operations appears to be in the offing. But managements do not want to close their mines. And the hope is still that most mines can continue.

How Loss of Premium Affects Canadian Gold Mine Profits

This table shows earnings of 56 gold producers and how they would have been affected if the Canadian dollar had been at par in 1945. (L—indicates Loss.)

Company	Production: Latest year $	Production: Indicated drop $	Profits: Latest year $	Profits: With gold at parity* $	Earned a share: Latest year $	Earned a share: With gold at parity* $
Aunor Gold Mines	2,163,291	196,859	581,785	437,428	0.291	0.22
Belleterre Quebec	1,584,593	144,198	417,794	311,964	0.28	0.21
Berens River Mines	1,187,969	108,287	136,238	56,831	0.068	0.028
Bidgood Kirkland	419,425	38,168	17,738	15,699 (L)	0.01	....
Bralorne Mines	2,172,669	197,713	758,689	613,706	0.61	0.49
Broulan Porcupine	653,917	59,506	39,355	9,655 (L)	0.015	....
Buffalo Ankerite	1,255,896	114,105	141,313 (L)	255,418 (L)	....	....
Canadian Malartic	1,418,693	129,101	315,952	221,282	0.086	0.061
Cariboo Gold Quartz	512,588	46,645	176,966 (L)	223,611 (L)	....	....
Central Patricia	1,071,245	97,483	265,764	194,280	0.11	0.078
Chesterville Mines	651,563	59,292	139,038 (L)	198,330 (L)	....	....
Cochenour-Willans	424,595	38,638	56,422 (L)	95,060 (L)	....	....
Coniaurum	1,013,678	92,245	285,830	218,187	0.103	0.079
Delnite	363,063	33,039	245,064 (L)	278,103 (L)	....	....
Dome Mines	4,887,263	444,741	2,299,564	1,973,435	1.18	1.01
East Malartic	1,538,500	140,003	25,936	107,150 (L)	0.006	....
Francoeur Gold Mines	448,213	40,784	8,959 (L)	49,746 (L)	....	....
Hallnor Mines	1,724,505	156,930	732,843	617,766	0.37	0.31
Hard Rock†	838,489	76,302	58,866 (L)	135,168 (L)	....	....
Hasaga Gold Mines	453,731	41,290	138,135	107,857	0.046	0.036
Hollinger Consol.	8,917,363	811,480	2,174,656	1,579,598	0.44	0.32
Island Mountain	388,229	35,329	74,001	48,094	0.07	0.05
Kerr-Addison	3,122,706	287,289	983,381	772,712	0.208	0.163
Kirkland Lake	1,086,211	98,845	177,691	105,206	0.033	0.020
Lake Shore Mines	4,276,226	389,137	1,337,135	1,051,781	0.67	0.53
Lamaque Gold Mines	1,734,977	157,883	557,528	441,752	0.186	0.147
Leitch Gold Mines	683,453	62,194	186,033	140,426	0.064	0.048
Little Long Lac	815,183	74,182	102,741	48,344	0.056	0.026
Macassa Mines	1,089,839	99,175	251,626	178,901	0.094	0.067
MacLeod-Cockshutt	729,921	66,423	294,089 (L)	360,512 (L)	....	....
Madsen Red Lake	979,525	89,137	95,536	30,172	0.027	0.0086
Malartic G. Fields	1,234,687	112,357	94,690 (L)	207,047 (L)	....	....
Matachewan Cons.	602,951	54,969	67,929	27,826	0.02	0.008
McIntyre Porcupine	6,343,869	577,731	2,598,532	2,174,882	3.12	2.73
McKenzie Red Lake	492,972	44,860	11,691 (L)	56,551 (L)	....	....
O'Brien Gold Mines	1,000,328	91,030	257,785	191,033	0.079	0.59
Pamour Porcupine	1,465,075	133,322	262,976	165,211	0.052	0.033
Paymaster Consol.	1,049,851	95,536	134,015	63,958	0.016	0.007
Perron Gold Mines	763,671	69,494	257,440	206,480	0.129	0.103
Pioneer Gold Mines	166,719	15,171	262,329 (L)	277,500 (L)	....	....
Powell Rouyn G. M.	496,915	45,219	58,119 (L)	103,338	....	....
Preston East Dome	2,171,301	197,588	239,091	94,200	0.08	0.031
Pickle Crow	1,291,181	117,497	304,410	218,249	0.10	0.070
San Antonio	1,477,995	134,498	420,092	321,465	0.18	0.13
Senator-Rouyn	493,719	44,928	77,217 (L)	122,145 (L)	....	....
Sheep Creek	181,935	16,556	23,988	11,847	0.013	0.006
Sigma Mines	1,906,002	173,628	489,553	362,323	0.49	0.36
Siscoe	1,288,743	117,276	96,617	5,109	0.02	0.001
Sladen Malartic	727,304	66,185	7,539 (L)	73,724 (L)	....	....
Stadacona	835,073	75,992	65,534	17,478	0.015	0.004
Sullivan Consol.	1,016,307	100,674	144,702	70,878	0.036	0.018
Sylvanite G. Mines	1,452,360	132,165	377,752	280,835	0.114	0.085
Teck-Hughes	1,098,377	99,949	578,456	504,963	0.12	0.105
Toburn Gold Mines	482,988	43,952	32,502 (L)	76,454 (L)	....	....
Upper Canada	1,005,252	91,460	163,091	96,023	0.055	0.032
Wright-Hargreaves	3,152,857	286,910	1,130,239	919,848	0.21	0.17

*After allowing for cushioning effect of reduced tax payments needed but not reduction in corporation tax rate in latest budget. †Closed in 1945; based on 1944 results.



D. S. ROBERTSON APPOINTED MANAGER OF CONTRACT ESTIMATING FOR UNITED STEEL CORPORATION

Changes in the executive personnel of United Steel Corporation are made known with the announcement of the appointment of D. S. Robertson as manager of Contract Estimating. Mr. Robertson has been associated with United Steel Corporation for 25 years and in his new post, will take charge of all contract estimating for the Mechanical divisions of the corporation.

LINGNORA GOLD MINES has practically completed geophysical survey on 17 claims, adjacent to Lingman Lake Gold Mines. Basic geological conditions on the Lingora ground are said similar to those which yielded ore deposits on the Lingman Lake property. Shallow drilling in 1945 is reported to have returned encouraging indications.

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London, Ontario, June 15th, 1946.

TO OUR SHAREHOLDERS:

Dear Sir or Madam:

Recently there was forwarded to the shareholders of Silverwood Dairies, Limited the Annual Report for the year ended March 31st, 1946, with Balance Sheet showing Assets and Liabilities, Profit and Loss Statement and Surplus Account.

Included in that Annual Report is a comparative statement for the seven years ending March 31st, 1946, which includes a summary showing that for the six years, 1941 to 1946 inclusive, the amount required for taxes (including the post-war refund of $185,000.00) represented a total of $1,697,000.00, or 66.91% of total earnings. In other words, the amount paid out in income and excess profits taxes was more than double the amount paid in dividends to shareholders on plants situated in nineteen towns and cities throughout Ontario, and after dividends and taxes there was only left the small sum of $51,890.00 to be used for expansion or increased working capital. This draining of the Company's earnings for taxes has resulted in our Company having to go to the public for additional financing three times within the last five years, the latest of which is the bond issue effective from July 2nd of this year, and which will bring the Company approximately $500,000.00, or less than the amount going into taxes as shown on our Consolidated Statement, even after deleting the refundable portion; the net amount being $568,000.00.

Consolidated Balance Sheet—We are now pleased to release the Consolidated Balance Sheet of Silverwood Dairies, Limited and its Subsidiary Companies, Silverwood Western Dairies Limited and Silverwood's Lindsay Creamery Limited. Inasmuch as this is the first such Consolidated Statement we are not in a position to submit any comparable figures for the previous year.

Sales—You will be interested in noting that the Total Sales for the year amounted to $20,191,110.00.

Earnings—Our Taxable Income amounted to $911,788.94, which represents 4.51% profit on sales before income and excess profits taxes. As the bottled milk division of our business represents well over half of our total sales, this percentage of profit, if applied to wholesale and retail bottled milk sales, represents approximately one-half cent per quart before taxes.

Taxes—The Federal income and excess profits taxes have taken a terrific toll, the total provision for these taxes for the year ended 31st March, 1946, being $647,000.00 (of which $79,000.00 is refundable). This total tax constitutes an average of 70.96% of earnings and leaves practically nothing for expansion after limited dividends are provided on the enormous capital required to operate a business now extending over four of our Canadian provinces.

Competition—We question if there are many businesses more highly competitive than the dairy business, and we believe that the progress our Company has made is largely accounted for through the loyalty and support of producers and employees who have endeavored at all times to give the consumer the maximum in quality and service. We have always tried to work in harmony with competitors, but we do feel that this competition should be without handicaps, especially in relation to this most important matter of taxation.

Co-operative Companies—We find in Western Canada that our most severe competition is coming from co-operative companies, dairy pools, etc., and we believe that in the main these business concerns are being permitted to escape this terrific burden of taxation, which is proving so serious a handicap. In fact, we know definitely that a number of these important co-operative companies which are free from this taxation are using their accumulated earnings to buy out tax-paying companies, thus further increasing the burden on taxpayers, both corporate and individual.

Glaring incidents have been cited, and in one of Canada's principal western cities, where a large and important company representing a consolidation of several smaller dairies had been paying taxes annually of around $200,000.00, a deal with a local co-operative was negotiated not so long ago, and through a bond issue the shareholders were paid out in full, leaving all earnings after bond interest, available for further expansion, rather than having any part of same being paid as taxes. As our Company further expands its operations, this situation becomes more and more unfair, particularly in the light of the fact that our shareholders, numbering over 4,000, are chiefly producers and employees of the Company.

Our appreciation is extended to consumer and to producer, and to every employee of our organization, who through their loyalty and support have all contributed to the success of our organization and its possibility for the future.

Yours faithfully,
SILVERWOOD DAIRIES, LIMITED
A. E. Silverwood
PRESIDENT.

AES:LF

SILVERWOOD DAIRIES, LIMITED

and its subsidiary companies

Statement of Consolidated Profit and Loss

FOR THE YEAR ENDED 31st MARCH, 1946

Sales		$20,191,110.00
Less:		
Cost of material and production expense	$14,378,761.18	
Selling, administrative and general expenses	4,370,930.87	
Provision for depreciation	382,996.48	19,132,688.53
		$ 1,058,421.47
Miscellaneous revenue		63,224.82
Operating profit		$ 1,121,646.29
Add:		
Investment income	$ 47,611.74	
Profit on sale of investments	10,846.23	58,457.97
		$ 1,180,104.26
Less:		
Interest on bonds, debentures and mortgages	$ 208,029.38	
Amortization of premiums paid on acquisition of businesses	12,669.14	
Contribution to employees' pension plan on account of past services	47,616.80	268,315.32
Consolidated profit before provision for taxes on income		$ 911,788.94
Deduct provision for taxes on income	$ 647,000.00	
Less refundable portion thereof	79,000.00	568,000.00
Total consolidated net profit		$ 343,788.94
Less minority interest in profits of subsidiary companies:		
Dividend on preference shares of Silverwood Western Dairies Limited	$ 25,000.00	
Dividends and earnings applicable to common shares	6,879.74	31,879.74
Net profit transferred to statement of consolidated earned surplus		$ 311,909.20

Statement of Consolidated Earned Surplus

FOR THE YEAR ENDED 31st MARCH, 1946

Balance at 31st March, 1945			$ 273,186.73
Add consolidated net profit for year			311,909.20
			$ 585,095.93
Deduct:			
Dividends declared—			
On preference shares (40c per share)		$ 35,038.20	
On comomn shares (55c per share)	$183,317.35		
Less dividends on common shares held by subsidiary company	7,998.65	175,318.70	
		$ 210,356.90	
Loss on disposal of fixed assets		15,194.74	
Discount on sale of preference shares of Silverwood Western Dairies Limited		6,000.00	$ 231,551.64
Balance at 31st March, 1946			$ 353,544.29

Silverwood Dairies, Limited

and its SUBSIDIARY COMPANIES

Labor Roundup

36,000 Idle in Strikes In Ontario, Quebec, B.C.

Very nearly 36,000 workers are idle in strikes across Canada, though almost that number returned to work with recent settlement of the B. C. lumber and Great Lakes shipping disputes. New strikes thus are just about keeping pace with strikes settled, in number of workers idle and in quantity of vital consumer goods held up.

And, as negotiations stand in steel, farm tools, chemicals, packing and the railways—particularly in the first two mentioned—the prospect is for sharp expansion of strike trouble rather than any early onset of labor peace, according to experienced observers on both sides of the labor-management fence.

Insistence of the CCL-CIO unions on industry-wide rather than plant by plant negotiations is stalling settlement of wage-hour disputes in several key fields of production and though strike headlines are smaller these days, strike news is even more ominous than it was two weeks ago.

Looming is a chain of new assaults by labor in steel, farm tools, chemicals (CIL), meat packing (Swift's), and even the railways which may far overshadow even the crippling strikes now in effect.

Here is the midweek lineup of continuing major Canadian strikes:

Rubber—11,000 workers, members of United Rubber Workers of America (CCL-CIO) and employed in 10 of 13 major Ontario factories, idle since June 24 in all-industry demand for 20c. hr. pay boost, 40-hr. week, 10c. night shift differential, as against individual plant offers averaging 8c. hr. pay boost, 44-hr. week and 5c. night shift premium. Kitchener, Toronto, Hamilton mainly are affected.

Electrical Equipment—7,200 idle, members of United Electrical Workers of America (CCL-CIO). Strikebound are Canadian Westinghouse plants in Hamilton, Canada Wire & Cable, Leaside, Amalgamated Electric Corp., Toronto, and Electro-Metallurgical Corp., Welland, Ont. Demanded are 25c. hr. pay boost and 40-hr. week.

Textiles—6,000 members of United Textile Workers of America (TLC-AFL) striking in Valleyfield, Montreal and Toronto against Dominion Textile Ltd., and Monarch Knitting Co., for 15c. hr. pay boost and 40-hr. week.

Motors—4,000 members of United Automobile Workers of America (CCL-CIO) striking at Chrysler Corp.'s Windsor and Chatham plants since June 18 for $2 a day wage increase.

Mining—2,500 members of United Mine, Mill & Smelter Workers of America (CCL-CIO) idle since July 3 in 13 B. C. hardrock mines (mainly gold and copper) demanding 29c. hr. pay boost, 40-hr. week, union security. Workers are not out at Consolidated Mining & Smelting, Trail, where an agreement was reached earlier.

Brass—Strike of 1,400 members of United Mine, Mill & Smelter Workers at Anaconda American Brass, New Toronto, approaches 9th week, with picketing violence abated, but local merchants feeling the pinch of reduced buying.

In addition still in effect are several smaller strikes, including fur industry workers in Toronto, printers of Southam newspapers in several cities, and 500 United Mine, Mill & Smelter workers in 32 Vancouver area foundries.

Cariboo Gold Has Big Plans

To Sink Permanent Shaft and Install Labor-saving Equipment

Sizeable expenditures are planned in the next few months by Cariboo Gold Quartz Mining Co., to condition the mine for increased production. Plans include sinking a permanent working shaft and purchase of new labor-saving machinery for underground work, President W. B. Burnett, states.

Net profit was $2,846 in four months ended May 31. Production totalled $362,893. Approximately 1,693 ft. of exploration and development, as well as 3,949 ft. of diamond drilling, were carried out during the period. With introduction of some new equipment and improved mining methods, stoping cost in April was $7.29, against an average of $10.55 per ton for past fiscal year.

Company announces resignation of R. R. Rose, managing director, and appointment of P. N. Pitcher as acting general manager.

Mylamaque Work Out Character of Deposit

A "very encouraging picture" is presented in the area of the R-24 discovery drill hole at Mylamaque Mines with a 225-ft. dyke showing quartz and tourmaline with strong mineralization and values ranging up $16.94 over 5 ft., G. L. Holbrooke, consulting geologist, reports in a letter to shareholders.

While assay results have been erratic and difficult to interpret, Mr. Holbrooke voices the opinion that the situation at Mylamaque is similar to that at other mines in the area and that the zones on bulk sampling will be found to be of ore grade.

Hole R-24 returned 16 individual assays running over $1 between 129.2 and 291.0 ft., best individual assays being $6.85 over 8.5 ft., $6.93 over 5.0 ft., $16.94 over 5 ft., and $5.93 over 6 ft. ($38.50 gold).

Value in hole R-25, 25 ft. to the east, ran up to $11.16 over 3.2 ft. and $11.93 over 3.3 ft. Four kicks of over a dollar were secured in R-26, 25 ft. to the west of R-24, best assay being $5 over 1.7 ft.

Further drilling in the area of hole R-24 included a hole, R-27, under this hole and three vertical holes in the plane of the three original holes. The ore zones were found to be striking parallel to a a 170-ft. wide diorite porphyry dyke and dipping south across it at 45 degrees.

Probable extension of the dyke, though considerably narrower, has been picked up 800 ft. away in the extension of old hole No. 31.

J. M. Brewis, vice-president and managing director, reports that the plan of drilling is now moving east and west at 200-ft. centres over a projected strike of more than 2,000 ft. Two drills are in operation at the present time.

Among other interests of Mylamaque are 500,000 shares of Clicker Red Lake, 390,000 shares of Jacknife Gold Mines and several other prospects on which preliminary work is now in progress. The company reports $137,268 in cash and investmentts on hand, a further $75,000 available to the treasury on options and 500,000 shares in the treasury which can be used to finance any major development or mine operation such as that which the management now hopes is being disclosed.

Restricted Ceiling List Aids Controls — Gordon

Canada this week switched from "negative" to "positive" control of commodity prices and consumer services, with an order replacing three previous orders which listed specific exemptions and suspensions. Under the former policy of "negative" control, all commodities were subject to price ceilings except those specifically named as exempt. Now all items subject to control are named; any not on the list are "free."

The new order, No. 642, is designed to simplify the Dominion's ceiling system. It makes little difference to the general price picture. Food, clothing, fuel and shelter remain subject to their former ceilings and articles exempted from control are either luxuries or goods in plentiful supply.

Price control is retained on other elements contributing to the cost of living—household equipment, supplies used in preparing food, heating equipment, supplies for laundering and cleaning, plumbing and sanitary equipment, refrigerators, furniture, brushes and brooms, and numerous miscellaneous items. Basic consumer services likewise remain under WPTB jurisdiction—laundries, dry cleaners, restaurants and others.

Control Strengthened

"All basic essentials are still under control," Prices Board Chairman Donald Gordon told the Financial Post. "The order was not used to drop anything of importance from control. It actually strengthens control in Canada, because it leaves the board in a position to use all its administrative effort on important things."

Under the new order, some vegetables including asparagus, beans, broccoli, brussels sprouts, cauliflower, celery, cucumbers, lettuce, peas, radishes, rhubarb, shallots, spinach, sweet potatoes, tomatoes and yams, are subject to price control only when imported. The same rule applies to bananas, cantaloupes, grapefruit, lemons, limes, melons, oranges, pineapples, raspberries, strawberries, tangerines and watermelons.

The order excludes from price control candied glace and drained fruits, dehydrated fruits and vegetables, frozen fruits packed for reprocessing, and some vegetable paste; such Chinese foods as canned and frozen chop suey and mixed vegetables, chop suey dinner, or chow mein. The only fish on which price control is not being maintained are "sturgeon and fish which inhabit Canadian waters only temporarily."

All fuels are solidly bottled up with a price control stopper, and the list runs through from anthracite coal right down to sawdust.

Clothing List Cut

In the clothing field, utility fur-lined garments are still under price control, but fur coats are not. Children's hats have been exempted, as have also women's dresses, blouses, lingerie, stockings and hats made with pure silk fabric.

Ceilings remain on all textile products except upholstered household furniture made to consumers' specifications. Other items which may be sold with no ceiling are cocktail shakers, decanters, jiggers, etc., stem and footed glassware and ice-buckets. All watches selling below $100 are subject to control; but any above that figure escape.

Farm feeds and products are controlled except straw. In the pesticides group, only preparations containing 2-4-D are freed from the ceiling.

Other commodities removed from control, include:

Wheat, barley, oats, flaxseed, buckwheat, rapeseed, sunflower seed, when packaged for human consumption.

Fully fabricated and assembled dwellings and other buildings (but not precut, unassembled lumber products).

Thumb tacks, staples, rivets, bolts, nuts, screws, washers, cigarette lighter fluid; gutta percha, balata, synthetic rubbers, reclaimed and scrap rubber.

Fruits preserved in brine and sulphur for further processing; dietetic foods, dental alloys, and goods produced and labelled by the Canadian National Institute for the Blind, the Montreal Association for the Blind, and L'Association Canadienne Francaise des Aveugles.

Buttons, belts and belting (except fan belts and V-belts for washing machines and refrigerators), electric motors, gaskets and other packing items, and hose for liquids and gas (excepting garden hose).

Standard newsprint sold by manufacturers is removed from controls, as is paper made for conversion into wall paper and cigarette papers.

Export Sales "Freed"

Export sales are suspended from control excepting sale in Canada or in territorial waters of ships' stores and equipment and sale of any goods to crew members and passengers. Meat from exhibition livestock shown at public fairs can be sold with no ceiling applicable.

Auction sales of used goods, when the proceeds are for charitable or patriotic purposes, are not subject to ceiling prices. At private auction sales, ceilings must be observed in sale of certain articles including scrap goods, waste paper, bags and baling material, barrels, cans and drums, baskets and boxes, household appliances, radios, pianos, beds and springs, bicycles and automobiles, trucks and trailers.

The order enables the farmer and other primary producers to do the best they can on sales of agricultural products and supplies to manufacturers, processors, wholesalers, retailers and other dealers.

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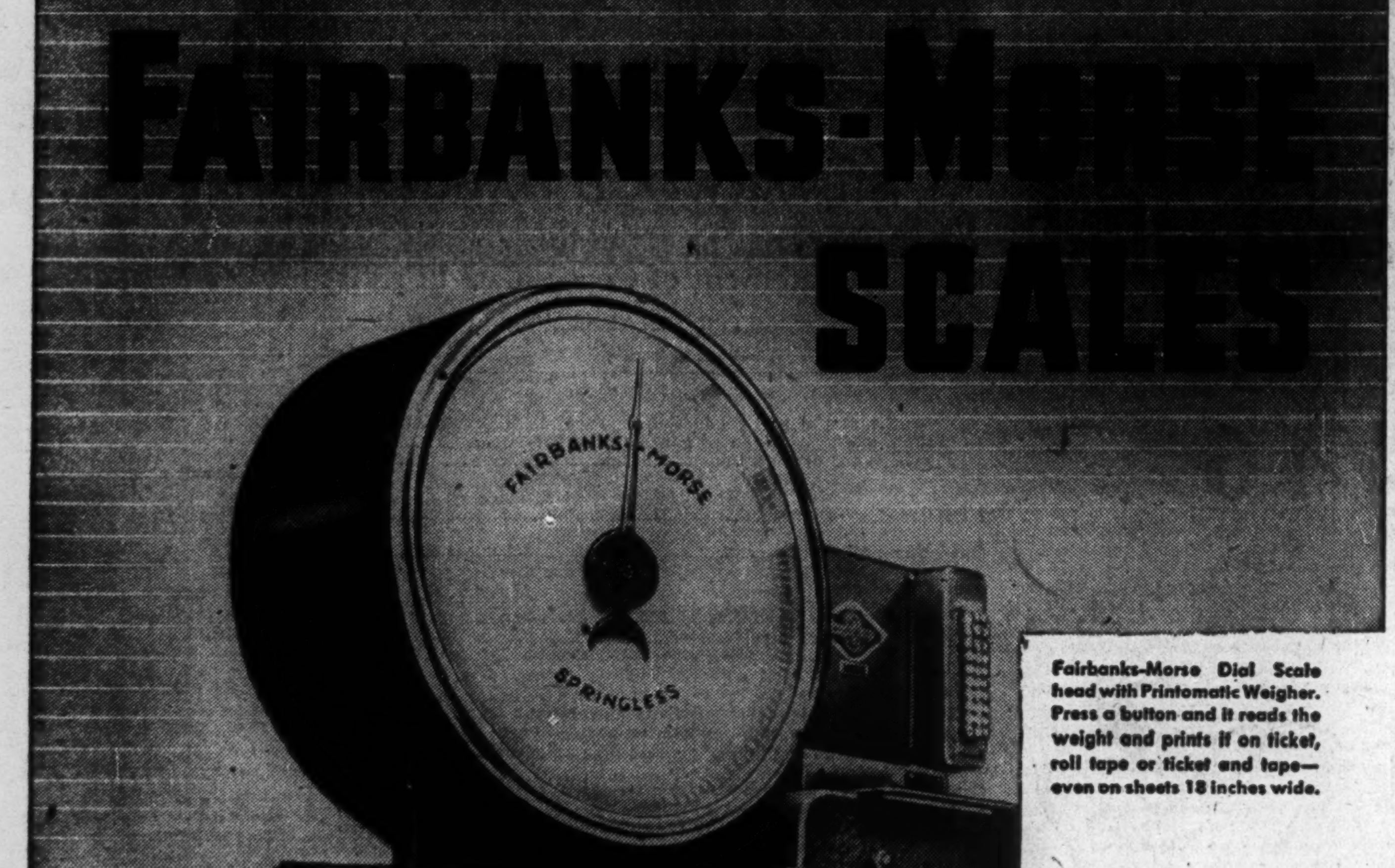

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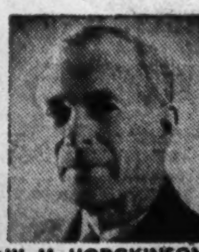

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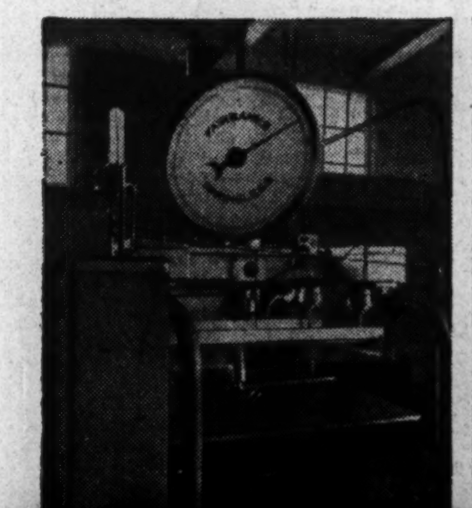

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